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DRUG S NEWS

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Vol. 11/No. 17 **Our 61st year of serving chains, wholesalers and high-volume independents** Published by Lebhar-Friedman Inc. Sept. 11, 1989

Phar-Mor in Motown

By James Frederick

MONROE, Mich. — Phar-Mor Inc., the nation's fastest-growing and most aggressive deep-discount drug chain, is building its first Michigan store here and is gearing up for a probable thrust into the nearby Detroit market next year. The move will put the chain into direct competition with Perry Drug Stores, Arbor Drugs, F&M, and a host of smaller chains and independents in the nation's fourth-largest drug store market.

Phar-Mor spokesperson Carol Robinson confirmed Aug. 30 that the 133-store off-price chain is building a 48,000-square-foot store in Monroe, a city of about 140,000 which lies midway along the short, well-traveled I-75 corridor between Detroit and Toledo, Ohio. The store will open next spring, she said.

'The size of the market dictates that there would probably be 10 or more stores in the Detroit area.'

Local sources reported that the store is being built in Frenchtown Square, an enclosed mall.

Robinson also confirmed reports that Phar-Mor is mulling a major push into metro Detroit itself in the near future.

"We're actively looking at other locations there and talking to developers, although we haven't signed any other leases yet," she said. "If we do move into Detroit, we would want to open enough stores to justify our presence there.

"The size of the market dictates that there would probably be 10 or more stores in the Detroit area."

Robinson added that Detroit "is part of our natural expansion strategy in the Midwest, and fits into that strategy as a major market opportunity."

If Phar-Mor does make a full-scale

See **Phar-Mor,** *page 133*

SuperRx Express targets service, guaranteed low prescription prices

POSTAL CENTER
GRAND OPENING

SupeRx Corp. says it will open 10 to 14 of its new 1400- to 2200-square-foot SupeRx Express stores in the next two years.

By Harold Cohen, R.Ph.

PHOENIX — You might say that SupeRx Drug Stores has gone "back to the future" with the opening of its first SupeRx Express store.

The 1,600-square-foot store, which bears a strong resemblance to the independent drug store of yesteryear with its small size and emphasis on customer service, also has a strong marketing plan in place to cater to the shoppers of the future. The plan includes a guarantee that the store offers the lowest prescription prices in town.

The new Express store is essentially a scaled-down version of the chain's larger units, with some important merchandising and marketing differences. Outside of a few pegged hair care products, there are no "beauty aids" like cosmetics or fragrances.

Also missing are most of the general merchandise categories found in SupeRx's larger stores, with the exception of film, batteries, greeting cards and a smattering of stationery supplies that complement an in-store U.S. post office.

Instead, the store's shelves feature a good, though limited selection of "ethical OTCs" including vitamins, cough and cold, analgesics, antacids, eye and lens care, and baby care. Packed into the limited space are even 60 feet of home health care products and durable medical equipment that includes a hospital bed.

See **SupeRx,** *page 133*

Eckerd to buy Hilley's; remodels Atlanta stores

CLEARWATER, Fla. — Jack Eckerd has signed an agreement to acquire the seven-store Hilley's drug chain in Texas for an undisclosed amount.

The Hilley's stores, with an average estimated volume of $2 million-plus—40 percent in pharmacy—and an average size of 10,000 square feet, mesh neatly with the typical Eckerd store profile.

The newly acquired stores are part of Eckerd's Dallas district. Four of them, in Burleson, Cedar Hill, Everman and Midlothian, Texas, are part of the greater Dallas-Fort Worth market, where Eckerd is the market leader with 117 stores and a 27-percent share of sales, according to Metro Market Studies. The remaining three are in smaller outposts—Mineral Wells, Whitesboro and Paris, Texas—as much as 100 miles from Eckerd's distribution center in Garland, Texas.

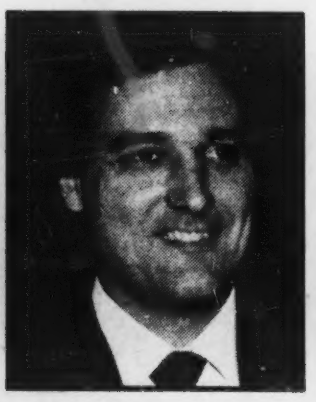
"We're not going to do much with these stores right away," a company spokesperson said, "not with the Christmas season almost upon us." He did say the stores are performing well, and Eckerd is in the process of putting up new signage and stocking shelves with its products. "We won't be making any remodeling changes until next year," he said.

The move comes on the heels of Eckerd's conversion of 16 Dunaway stores in the Atlanta market acquired in June.

"We've closed four of the [former Dunaway] stores and remodeled the rest, and now they are all part of our Spartan

See **Eckerd,** *page 133*

Phil Weinstein



Bill Baxley

Pat Triboletti

Affiliated/Associated's '89 fall show is S.R.O.

NEW YORK — Chain drug buyers and merchandisers were spending a busy weekend in New York City where 130 exhibitors—"a sell-out crowd"—were presenting their wares to executives from over 70 member drug chains at the Affiliated/Associated fall buying show Sept. 8-10.

"The weekend format was preferred by our members," Phil Weinstein, president of the buying group, told *Drug Store News*. "We would have started this format for last spring's buying show, but we couldn't get hotel availabilty then." He said future shows will adhere to the Friday through Monday weekend format.

The show, at the Sheraton Centre Hotel in New York City, is a chance for merchants to review H&BAs, cosmetics and general merchandise products to see what post-Christmas merchandise vendors have

See **Affiliated,** *page 133*

TOP OF WEEK FEATURES

Triple-A report: year's top items

Drug Store News reports on the 150 fastest-selling products in both H&BAs and general merchandise. Page 31.

Generics: Don't rush to judgement

In wake of the generics scandal, Washington correspondent Ken Rankin echoes a warning against impugning the integrity of the generics industry as a whole. Page 7.

50
years
of
caring
Thayer

Thayer celebrates a joyful month

In the summer of 1939 pharmacist Sam Ross opened his first store in the town of Braintree, Mass., and called it Thayer Pharmacy. This summer, Thayer, now 31 stores, is celebrating its golden anniversary with a whirlwind of activities. Page 10.

LATE NEWS

- ALEXANDRIA, Va. — Phase one of NACDS' Third-party Impact Study revealed that it costs pharmacists $1.12 more to dispense a third-party than a private-pay ($6.72 vs. $5.60, exclusive of acquisition costs).

- PONTIAC, Mich. — Perry Drug Stores' recovery continued in the third quarter ended July 31. The chain had net income of $848,000 on sales of $163.9 million, compared to a year-earlier loss of $14 million on sales of $165.2 million. For the nine months, Perry's net income on continuing operations was $5.8 million compared to a loss of $12.1 million for the same period last year.

NEWS IN BRIEF

Jewel-Osco of Florida expanding

CLEARWATER, Fla. — The new Jewel-Osco of Florida division of American Stores opened its second unit here in early August, and is gearing up for additional store openings in November and January of 1990.

The Aug. 3 opening came five months after American Stores reentered the Florida market with its first Jewel-Osco combo store. That 75,000-square-foot store has been averaging over 40,000 customers a week since its grand opening, according to American Stores president and chief operations officer Alan Stewart.

All four of the units slated to be open by early next year will be in the Tampa/Clearwater area.

The rapid early expansion schedule heralds what is sure to be an aggressive return by the giant retailer to Florida, which it abandoned some two decades ago with the dissolution of the old Skaggs/Albertson's combination store partnership.

Meyers to head Harris Wholesale

Meyers

SOLON, Ohio — Donald R. Meyers has been named president of Harris Wholesale Co., replacing Seth B. Harris, who has been moved up to chief executive officer of Harris Wholesale and vice chairman of R.A.B Holdings, Harris' parent company.

Meyers began his career with the wholesaler in 1977 as vp-operations. In 1983, he was promoted to executive vp-operations and assumed additional responsibilties as chief operations officer in 1985.

"I'm confident that, under Don's leadership, Harris Wholesale will continue to grow and prosper," said R.A.B.'s chairman, Richard A. Bernstein. "I am also excited about working with Seth on a daily basis and am even more confident of our future knowing Seth will be involved in all of our activities, setting our strategies and guiding out future."

Harris, the nation's sixth largest wholesaler, was acquired in January by R.A.B. Holdings, Inc., New York. R.A.B.

Begley consultant to eyewear co.

DALLAS — Bob Begley, former chairman of Begley Co., the Kentucky-based drug chain that Rite Aid acquired last year, is chain drug consultant to a new eyewear company called Strategic Eyewear Programs.

S.E.P., whose president is James Revill, is a vertically integrated international supplier of sunglasses, reading glasses and optical products with offices and showrooms here and in New York, Taipei and Hong Kong, according to Bradley T. MacDonald, a principal and vice-chairman of S.E.P.

Boulton joins Taylor Drug as exec vp

Boulton

LOUISVILLE, Ky. — William H. Harrison Jr., chairman of the board of Taylor Drug Stores, announced that Samuel R. Boulton had joined the 56-store drug chain as executive vp.

Boulton was previously with Perry Drug Stores for 18 years as group vp and most recently was with M&R Pharmacy as store management/retail consultant.

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Rite Aid and Grass plead not guilty to bribe charge

COLUMBUS, Ohio — Rite Aid Corp. and its president, Martin Grass, pleaded not guilty Aug. 18 to bribery charges, which Rite Aid has characterized as a "bizarre" attempt by Ohio pharmacy regulators to embarrass Grass and the chain.

A pretrial hearing is set for Sept. 13, according to a Cuyahoga County Court clerk.

Assistant Cuyahoga County prosecutor William Caine had obtained grand jury indictments on the charges April 28, the day after Grass was arrested for allegedly bribing a former Peoples Drug employee to resign from the Ohio State Pharmacy Board, local newspapers have reported.

Caine kept the indictments sealed, but then made them public Aug. 1 under circumstances that have remained unclear. Upon their unsealing, Rite Aid lawyers petitioned to have the processing of the indictments blocked on the grounds that the assistant prosecutor, by opening them, violated a still-standing June 14 gag order issued by Judge Lillian Greene.

Local papers have reported the gag order does not address the issue of indictments, but rather was meant to prohibit parties from commenting on the case.

Greene nevertheless issued a temporary restraining order on the indictments. Part of the reason was to clarify if she had jurisdiction in the case, since a second judge had presided over the grand jury that had returned the indictments.

The restraining order was subsequently lifted, clearing the way for the Aug. 18 arraignment.

Meanwhile, a Cuyahoga County Sheriff's Office spokesman said that it is continuing a probe of alleged efforts to tamper with the pharmacy board membership.

Rite Aid has said that the bribery charge is false and stems from a long-standing "vendetta" the pharmacy board has against the chain. The board, Rite Aid argues, has unfairly enforced pharmacy rules against Rite Aid stores, including the former Lane Drug stores purchased this year from Peoples.

State board officials, including board executive director Frank Wickham and board compliance administrator Timothy Benedict, have been quoted as saying the board hasn't harrassed the company.

Still pending is a motion by Rite Aid to oust Caine. Rite Aid lawyers have charged that the prosecutor made "erroneous and prejudicial public comments to the news media" after Grass's arrest.

GENERATIONS OF SERVICE

American Red Cross

Red Cross coupon promo hails role of chain in the community

WASHINGTON — Drug chains will have a chance to enhance their image in the community and at the same time heighten their profiles as coupon redemption centers through participation in the American Red Cross "Generations of Service" nationwide promotion.

Set for March 1990, the cause-related promotion has the dual aims of saluting drug store and supermarket retailers' contributions to their communities "through the generations" and raising $1 million for Red Cross disaster relief.

The monthlong promotion, including a freestanding insert (FSI) drop scheduled for March 11, is tied to Red Cross Month, which is celebrated annually by the organization's 2,800 local chapters. "Generations of Service" represents the Red Cross' largest corporate-tied fundraising and marketing effort in recent years.

"Our original idea was to approach major supermarket chains with a program to recognize supermarkets' contribution to their communities over the years," said Stephen M. Delfin, development officer at the American Red Cross national headquarters here. "Then we got a call from Steve Perlowski of NACDS, suggesting it would make sense for drug chains to get involved, too." The Red Cross embraced the idea enthusiastically, Delfin said.

"The Red Cross tie-in will be image-enhancing and a tremendous way to tell American consumers that drug stores want their business—and their coupons," said Perlowski, NACDS director of trade programs.

At press time, four major product manufacturers have signed on for the FSI, which will appear in Sunday newspapers and reach an estimated 51 million American households nationwide. They include: Helene Curtis (Suave shampoo and conditioner and Suave hand lotion and hair spray); Curad (adhesive bandages); Tambrands (feminine protection); and Pampers (disposable diapers).

Each participating manufacturer will make a minimum contribution of $150,000, Delfin said, adding that in excess of $600,000 has already been committed toward the $1 million goal, with additional manufacturers expected to get involved. "Retailers aren't being asked to donate, although they may think of ways to raise donations, too," Delfin said.

Interested chains

Some half-dozen drug chains, including Walgreens, Thrifty, Hook-SupeRx, Osco, Sav-on and Longs, have expressed strong interest in participating, although no formal commitments have been made yet, Delfin said. Other drug chains that responded favorably to a Red Cross mailing are Eckerd, Peoples, Fantle's and Brooks, he added, noting that the organization is targeting the 100 top drug chains for participation.

About 20 to 25 of the top 50 supermarket chains have made solid or verbal commitments, he said. Among those expected to participate are Giant Food, A&P, Ralph's, Delchamps, Bruno's, Dominick's, Giant Eagle and Food Lion.

The promotion will drive home five areas in which manufacturers and retailers have benefitted consumers over the years: greater variety of products and sizes, lower cost of food and health and beauty aids as a percentage of family income, emphasis on nutritious foods and advances in pharmaceutical remedies, shopping convenience, and community service.

The FSI will offer coupons, refunds and premiums and be themed to "Generations of Service" and the American Red Cross. Examples—vignettes, really—of how specific retailers have helped their communities through the Red Cross may also be incorporated in the insert.

Local Red Cross chapters and some 1.4 million volunteers will work with retailers to build ads, in-store banners and signage, displays and special events around the "Generations of Service" theme, perhaps featuring their own service vignettes. Retailers will also be asked to support all the participating products through advertising and in-store displays.

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VP/Publisher **JAY FORBES**
Editor **BRUCE BUCKLEY**

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Have we got news for you!

I generally don't use this space to promote upcoming features in *Drug Store News*. But I'm excited about a particularly strong lineup of articles in the next issue, September 25, that I wanted to share with you.

The articles, in *Drug Store News* and *Inside Pharmacy*, cover a wide variety of subjects, some of them at the leading edge of retailer concerns right now. I thought I'd give you a brief rundown to whet your appetite.

1. **Electronic space management.** In the field of technology, few areas are more central to retailers' needs than the ability to adjust product mix to achieve maximum yield on investment. The integration of accurate POS-generated product movement data into computer programs that automatically planogram department shelf space will become more and more critical as the decade of the nineties unfolds. In this upcoming issue, senior editor Dave Vaczek will reveal the results of an industry survey focusing on the current state of automated space management among the nation's top drug chains. Vaczek's report, which will also examine future trends in space management, will be the first to delve into this key area.

2. **Leveraged buyouts.** The LBO scene has been getting some bad press lately as shakily financed deals have gone sour or threaten to do so. In the chain drug industry, two LBO companies are now in Chapter 11, engaged in an uphill struggle to overcome the effects of overly optimistic financial structures set up by previous managements. But not all LBO companies are struggling. A handful of drug chains are getting along very well, paying down debt and investing in their future. What makes the difference between these companies and the ones that are under siege? That's the subject of a penetrating piece by Midwest senior editor Jim Frederick and associate editor Susan Ball in the next issue.

3. **Cosmetics department service.** How far should drug stores go in providing service in their cosmetics departments? That's a question that's been under debate for ages. The answers, from drug chains, are driven by image needs and by economics and run the gamut from allowing the customer to fend for herself to providing full service by experienced cosmetologists. In a special section in the next issue, Special Projects Editor Liz Parks discloses the results of an industry-wide survey on the current state of service in cosmetics departments. Is service gaining or losing ground? What does the future hold? These are just two of the questions that this report will address in the next issue.

IN THE MARKET
BRUCE BUCKLEY

4. **The impact of combination stores.** No other retail format surpasses the combination food and drug store as a competitive threat to drug stores. Many drug chains cast their strategies with combo stores foremost in mind, and the next few years will test these strategies as never before. In the next issue, our staff will focus on the strengths and strategies of three geographically diverse combination store operators as examples of how the combo store movement is threatening to engulf the retail drug industry.

5. **The generics controversy.** The scandal that surfaced in the generic drug industry has captured the attention of everyone from FDA and congressional investigators to pharmacists to the consuming public. The roots of this controversy, which threatens the strong trust that Americans have in the efficacy of generic drugs, are explored in a cover story by assistant pharmaceutical editor Elizabeth Richardson, who has spent weeks interviewing a wide range of sources in government, the pharmaceutical industry and retail companies in order to write this story.

Well, that's the lineup. I hope you're looking forward to it as much as I am.

Damning many because of a few?

Not long ago people here in Washington couldn't find enough good to say about generic drugs.

Public interest groups touted generics as the solution to everything from rising health care costs to international corporate avarice.

Top Food and Drug Administration officials jury-rigged questionable "Paper NDA" systems to short-cut safety and effectiveness reviews of new generic pharmaceuticals.

Congress went a step further by enacting legislation specifically mandating fast-track approvals of generics by FDA.

Drug chains sang the praises of generics in advertising that urged patients to request substitutes for higher-priced brand-name drugs.

The media, meanwhile, gobbled up the pro-generic propaganda and then amplified it via condescending "consumer reports" designed to assure the public that generic products are "just as good" as brand-name drugs, but at a fraction of the cost.

Recent disclosures on Capitol Hill and at FDA headquarters have severely tarnished the image of generic drugs. Several prominent manufacturers of generic pharmaceuticals have been charged with bribing Federal drug reviewers in an apparently successful effort to expedite marketing approval for their products. And more than one FDA official has already been fingered by Congressional investigators for improperly accepting payments from generic drug sponsors.

To be sure, these disclosures prompted a chorus or two of "I told you so" from the brand name pharmaceutical industry—but that was to be expected. Otherwise, the initial reaction was strictly "ho, hum."

A couple generic guys may have got caught with their hands in the cookie jar—so what? No real harm done! It only proves that the generic manufacturers can be just as greedy as the next guy, right?

Even FDA emphasized that despite these irregularities, there was no evidence that the safety of the nation's generic drug supply had been compromised.

But that was only the initial reaction. Then the second shoe dropped. Federal investigations revealed that several generic drug manufacturers had obtained marketing approval for their products by fraudulent means.

In order to satisfy FDA's bioequivalence standards, it seems that these manufacturers submitted the brand-name reference product to FDA reviewers in place of their own drug. Not surprisingly, FDA found the ersatz "generic" products to be bioequivalent to the original.

Suddenly the scandal had taken on darker overtones. The safety of some of the nation's most widely dispensed generic drugs was suddenly in question. FDA promptly announced an unprecedented program to safety test thousands of generic drugs now on the market.

WASHINGTON PERSPECTIVE
KEN RANKIN

But while this testing was designed to ease concerns over generic safety, if any further problems are uncovered it could have the opposite effect.

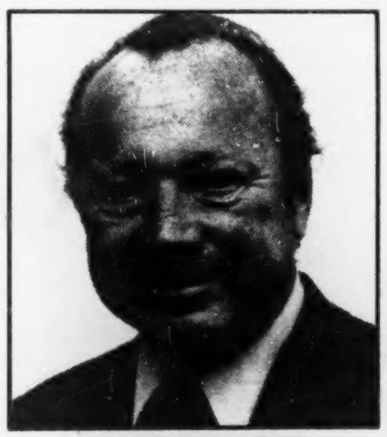
What should the drug store industry make of this ongoing controversy, and how should it respond?

Clearly, the first step is to put the situation in perspective. While there is reason to be concerned, there's no reason to panic. And certainly, there's no reason to panic others. Just as the benefits of generic drugs may have been oversold, the dangers resulting from the current generic scandals may be exaggerated.

I believe APhA struck the right note in its recent statement commending FDA and Congressional investigators for "uncovering examples of abuses and fraud within the generic drug approval process."

While these problems "are cause for serious concern, APhA cautions against impugning the integrity of the many generic drug companies and their products because of the wrongful actions of a few companies."

Drug/food segment H&BA sales compared



PRODUCT TRACKING

ALAN MILLER

The mid-year million-dollar brand reports for both drug and food stores have arrived, and, as always, the data contained in these studies can be massaged to ferret out a number of interesting and useful observations.

Our focus in this mini-analysis shows: (1) a comparison of the current number of health and beauty aid brands with a million dollars or more in annual retail volume by category for each outlet; and (2) the number of dollars generated, drug vs. food, by the top-selling brand in each category. The period covered is the year ended July 14, 1989.

During this period, total sales among all 55 H&BA categories amounted to $8.2 billion in drug stores and $8.7 billion in food stores. However, there were 956 different million-dollar brands in drug stores as compared to only 679 in food stores. The numbers confirm the broader H&BA mix drug stores carry in order to effectively compete with food stores.

The study shows both food stores and drug stores with two leading brands that generated more than $100 million in annual sales last year. Common to both retail segments, as a $100 million-plus brand, is the leading brand of internal analgesics. For drug stores the second $100 million-plus brand is in the eye care category, whereas for food stores the second top brand is the leading brand of toothpaste.

It should be noted that the leading brands in various categories are not necessarily the same in drug stores and food stores. In two of the four categories of baby needs, for example, there is a different brand at the top of the list among baby oils, creams and lotions as well as nursing supplies.

In some instances the disparity in brand rank between outlets is dramatic. The shampoo brand with the highest annual sales in drug stores ranks 21st in the food store rank report.

There are also important variations in the sales level of the best-selling brands in the two outlets. The leading brand of contraceptives has five times more volume in drug stores than in food stores. However, for toothpaste the story is reversed. The number of dollars contributed by the leading toothpaste brand in food stores is more than triple the amount this same brand generated in drug stores.

In some categories there are roughly the same number of million-dollar brands in competition but the volume recorded by the leading brand in each outlet may differ widely. For example, there are 15 million-dollar brands of spray deodorants in both food and drug stores, but the leading food store brand has annual sales of $38.7 million, compared with $17.7 million in drug stores.

The H&BA category with the highest number of million-dollar brands is shampoo: 53 in drug stores and 43 in food stores. Nevertheless, the top brand in shampoos generates more than twice the volume in food stores than the top brand in drug stores ($67.3 million vs. $27.3 million).

The situation is similar for the category that ranks second in number of million-dollar brands: cold remedies. Here there were 48 million-dollar brands in drug stores and 36 in food stores. But the No. 1 brand in food stores accounted for $77.1 million, as opposed to the $58.7 million generated by the No. 1 brand in drug stores.

In instances where there are more million dollars in competition in food stores than for drug stores, the margin is small. For example, there were 16 million-dollar brands of roll-on deodorants in food stores and 15 in drug stores. There were also two more million-dollar brands of tooth paste and powder in food stores than were found in drug stores nationally.

These are just some of the observations from the new mid-year Arbitron/SAMI million-dollar brand report. To subscribe, contact Warren Spence, vp H&BA marketing, Arbitron/SAMI, 55 Greens Farms Road, Westport, Conn. 06880.

Comparison of number of million-dollar H&BA brands, drug stores vs. food stores

(Leading brand sales for each category, year ended July 14, 1989)

Category	No. of million dollar brands in drug stores	Annual sales leading brand (millions)	No. of million dollar brands in food stores	Annual sales leading brand (millions)
Baby powders	3	$ 14.5	3	$ 27.3
Baby oils cream & lotions	8	15.4	7	24.2
Infant clothes	1	3.1	1	11.6
Nursing supplies	10	12.4	4	23.2
Contraceptives	19	41.6	8	7.9
Personal lubricants	1	8.9	1	3.4
Home testing kits	9	23.6	6	6.3
Thermometers	1	11.0	1	2.5
Spray deodorants	15	17.7	15	38.7
Roll-on deodorants	15	19.4	16	39.2
Stick deodorants & pads	21	29.5	18	68.4
Cream deodorants	4	2.4	4	4.5
Deodorants & talcum powders	2	10.8	2	19.3
Feminine hygiene deodorants/ douches/washes	4	4.8	3	5.4
Foot deodorants & athlete's foot remedies	8	19.5	6	10.7
Feminine douches/washes	4	25.4	4	39.5
First aid antiseptics	22	27.0	13	19.8
First aid products	20	373.0	15	60.2
Shampoo	53	27.3	43	67.3
Hair spray	35	32.5	33	51.4
Hair conditioning rinses	39	10.9	34	24.4
Hair setting needs	23	8.8	23	14.5
Home permanent kits	8	15.8	5	6.9
Hair coloring	39	35.5	15	26.1
Hair dressing needs	20	10.9	17	13.5
Toothpaste & powder	30	38.8	32	122.0
Mouthwash	16	47.5	14	96.6
Breath fresheners	2	9.9	1	7.9
Denture cleaners	6	22.3	5	36.1
Denture adhesive	14	18.8	6	23.7
Toothbrushes	11	28.9	8	39.1
Dental aids	5	18.6	1	24.7
Antacids	28	50.3	16	73.3
Internal analgesics	34	240.6	32	370.4
External analgesics	11	19.2	12	14.0
Cold remedies	48	58.7	36	77.1
Nasal sprays drops inhalers	13	30.5	6	27.9
Chest rubs	2	11.7	2	13.0
Cough remedies	32	61.6	19	53.8
Laxatives & stool softeners	33	77.4	18	40.2
Sleeping aids	5	15.2	4	15.5
Eye care products	27	109.0	17	62.5
Appetite suppressants	8	40.7	4	26.2
Synthetic vitamins	37	30.3	21	23.4
Natural vitamins, minerals supplements	25	23.2	8	12.9
Shaving creams	9	15.5	11	26.0
Pre-shave lotions	2	5.4	2	6.1
After shave lotions	15	13.3	6	12.8
Razor blades	21	34.2	24	67.0
Razors & blades	4	4.0	4	4.9
Hand & body cream-lotions	38	28.9	23	47.8
Facial preparations	27	34.1	15	22.1
Lip care products	9	15.4	5	15.6
Suntan lotions/creams oil	22	26.4	11	22.6
Cosmetic & medicated skin aids	38	15.2	19	20.1
Total	956		679	

Source: Arbitron/SAMI

TRENDS

Triple-A performers take a bow

SAV-ON REBATES
Picture Perfect Options
Single Print
Take Two
Next Day Service

Drug store operators, like theatrical directors, strive to draw out the best performance from their cast of products through skillful merchandising and promotion.

The results of their labors are reflected in the branded items that earn Triple-A rankings each year.

Drug Store News' Triple-A Product Study spotlights the H&BA and general merchandise products that turned in the best performances during the past calendar year, by units sold and dollar volume.

To compile Triple-A rankings, *Drug Store News* relies on warehouse withdrawal data from major chains, provided on a confidential basis. Rack-jobbed categories such as cigarettes, candy-snacks and pantyhose are not included in the Triple-A study because field representatives from manufacturers service the

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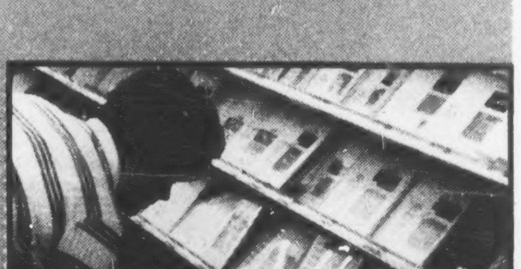

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150 Hottest Health & Beauty Aid Items

(Ranked by dollar volume)

Rank	Product name	Rank	Product name
1	Tylenol ex str caplets 100	76	Benadryl tablets 24
2	Listerine mouthwash 32 oz.	77	Nyquil 14 oz.
3	Tylenol ex str caplets 50	78	Anacin tablets 100
4	Plax dental rinse original 16 oz.	79	Gillette Micro Trac razor 10
5	Centrum vitamins 130	80	Playtex tampon non-deod super 28
6	Plax dental rinse mint 16 oz.	81	Fleet adult enema 4.5 oz.
7	Pampers Ultra Plus large 32	82	Robitussin CF cough syrup 4 oz.
8	AoSept disinfecting solution 12 oz.	83	Dimetapp Extentabs 12
9	Huggies Supertrim large 32	84	Listerine mouthwash 12 oz.
10	AoSept disinfecting solution 8 oz.	85	Trojan regular 12
11	Gillette Atra blade refills 10	86	Pepto Bismol liquid 8 oz.
12	B&L saline solution sen eyes 12 oz.	87	Dexatrim ex str caps 40
13	Tampax Super 40	88	Tylenol reg str tablets 100
14	Advil tablets 50	89	Sudafed tablets 48
15	Huggies Supertrim medium 48	90	Nyquil cherry 10 oz.
16	Bayer aspirin tablets 100	91	Playtex tampon deod reg 28
17	Tylenol ex str caplets 175	92	Stayfree regular maxi 30
18	Oil of Olay regular 4 oz.	93	Formula 44D 4 oz.
19	Neosporin ointment .5 oz.	94	Preparation H ointment 1 oz.
20	Tampax original regular 40	95	Gillette Good News disp razor 10
21	Advil tablets 100	96	Gillette Atra blades 5
22	Gillette atra plus 10	97	Crest toothpaste regular tube 6.4 oz.
23	Tylenol ex str tablets 60	98	Crest gel tartar 6.4 oz.
24	Trojan enz lub 3	99	Preparation H suppositories 12
25	Sudafed tablets 24	100	Afrin nasal spray 15 cc
26	Gillette Trac II blades 10	101	Correctol tablets ext. 30
27	Tylenol ex str tablets 100	102	Actifed tablets 24
28	Alka Seltzer Plus cold tablet 36	103	K-Y jelly sterile lubricant 4 oz.
29	Robitussin DM cough syrup 4 oz.	104	Tylenol child chew tablets 48
30	Advil tablets 24	105	J&J O.B. tampons regular 30
31	Mylanta 12 oz.	106	Pepto Bismol 4 oz.
32	Efferdent tablets 96	107	Oral B 40 toothbrush soft
33	Tylenol children's drops .5 oz.	108	B&L saline solution 12 oz.
34	Dimetapp elixir 4 oz.	109	Visine eye drops .5 oz.
35	Maalox liquid 12 oz.	110	Colgate toothpaste 9 oz.
36	Tylenol gelcaps ex str 50	111	Excedrin tablets 60
37	Tylenol ex str tablets 200	112	Carefree pantyshield reg 26
38	Lens Plus sterile saline 12 oz.	113	Bayer aspirin tablets 50
39	Robitussin DM cough syrup 8 oz.	114	Tampax Super 10
40	Stayfree Super Maxi pp 2.99 30	115	Colgate toothpaste 7 oz.
41	Mineral Ice 8 oz	116	Gillette Atra Plus 15
42	Tylenol ex str caplets 24	117	Contac capsules 10
43	Benadryl Kapseals 25mg 24	118	Q-tips 170
44	Alka Seltzer Plus cold tablet 20	119	Colgate tartar 6.4 oz.
45	Excedrin tablets 100	120	Plax dental rinse original 8 oz.
46	Extra strength Maalox Plus 12 oz.	121	Robitussin 4 oz.
47	Q-tips 300	122	BIC shaver 10
48	AoDisc replacement	123	J&J O.B. tampons super 30
49	Oil of Olay 6 oz.	124	BIC Sensitive Shaver 10
50	Tylenol ex str tablets 30	125	B&L disinfecting solution 12 oz.
51	Neosporin ointment .5 oz.	126	Gillette Good News Plus 10
52	Theragran M vitamins 130	127	Gillette Atra plus blades 5
53	Gillette Atra blade refills 15	128	Formula 44D 8 oz.
54	Advil caplets 50	129	Nuprin 50
55	Tylenol child chew grape 30	130	Tampax original regular 10
56	Nyquil cherry 6 oz.	131	Close-up gel 6.4
57	Speed Stick deod reg 2.5 oz.	132	Stayfree deod maxi 30
58	Fixodent 2.5 oz.	133	Robitussin PE cough syrup 4 oz.
59	Nyquil 10 oz.	134	Listerine mouthwash 6 oz.
60	Benadryl elixir 4 oz.	135	Dulcolax tablets 25
61	Nyquil 6 oz.	136	Triaminic cold syrup 4 oz.
62	Dexatrim ex str caplets 20	137	Alka Seltzer foil 36
63	Advil caplets 100	138	Doans Pills 24
64	Tampax Super Plus 40	139	Efferdent tablets 60
65	Drixoral S.A. tablets 10	140	Vicks Vapo Rub 3 oz.
66	Gillette Trac II blades 15	141	Excedrin tablets 30
67	Playtex tampon deod super 28	142	Gillette Trac II blades 5
68	Scope original mouthwash 24 oz.	143	Lens Plus sterile saline 8 oz.
69	Tylenol children's tab chew 30	144	Crest toothpaste tartar 8.2 oz.
70	Dexatrim ex strg caffeine free 20	145	Crest gel tartar tube 8.2 oz.
71	Dimetapp Extentab 24	146	Efferdent denture tablets 40
72	Benadryl Kapseals 48	147	Aqua Fresh toothpaste tube 6.4 oz.
73	B&L sensitive eye daily cleanser 1 oz.	148	Actified tablets 12
74	Advil caplets 24	149	Listerine mouthwash 3 oz.
75	Crest toothpaste tartar tube 6.4 oz.	150	Plax dental rinse mint 8 oz.

Source: *Drug Store News* research

(Ranked by units sold)

Rank	Product name	Rank	Product name
1	Fleet adult enema 4.5 oz.	76	Tampax slender regular 10
2	B&L saline solution sen eyes 12 oz.	77	Benadryl elixir 4 oz.
3	Chap Stick	78	Close-up gel 6.4
4	Advil tablets 24	79	Extra strength Maalox plus 12 oz.
5	Tylenol ex str caplets 50	80	Pepto Bismol liquid 8 oz.
6	Blistik lip balm	81	Listerine mouthwash 6 oz.
7	Plax dental rinse original 16 oz.	82	White Rain non aerosol unsc 8 oz.
8	Q-tips 300	83	Colgate toothpaste 9 oz.
9	Tylenol ex str caplets 24	84	Massengill vinegar/water twin 12 oz.
10	Mylanta 12 oz.	85	Benadryl tablets 24
11	Robitussin DM cough syrup 4 oz.	86	Gillette Atra blades 5
12	Speed Stick deod reg 2.5 oz.	87	Fixodent 2.5 oz.
13	Bayer aspirin tablets 100	88	Tylenol gelcaps ex str 50
14	Plax dental rinse mint 16 oz.	89	Bayer aspirin tablets 50
15	Sudafed tablets 24	90	AoDisc replacement
16	Listerine mouthwash 32 oz.	91	Gillette Good News disp razor 10
17	Neosporin ointment .5 oz.	92	Formula 44D 4 oz.
18	Tampax Super 10	93	Crest toothpaste tartar 4.6 oz.
19	Blistex lip ointment	94	Gillette Micro Trac razor 5
20	Alka Seltzer Plus cold tablet 20	95	Nyquil cherry 6 oz.
21	BIC shaver 10	96	White Rain non aero xtr hold 8 oz.
22	Maalox liquid 12 oz.	97	Crest gel tartar 4.6 oz.
23	Nyquil 6 oz.	98	BIC shaver 5 pk
24	Q-tips 54	99	Robitussin CF cough syrup 4 oz.
25	Crest toothpaste regular tube 6.4 oz.	100	Robitussin DM cough syrup 8 oz.
26	Tampax original regular 10	101	Plax dental rinse mint 8 oz.
27	BIC Sensitive Shaver 10	102	Barbasol shave cream regular 11 oz.
28	Crest toothpaste tartar 6.4 oz.	103	B&L saline solution 12 oz.
29	Q-tips 170	104	Scope original mouthwash 24 oz.
30	Advil tablets 50	105	Crest toothpaste mint tube 6.4 oz.
31	Gillette Atra blade refills 10	106	Drixoral S.A. tablets 10
32	Colgate toothpaste 1.5 oz.	107	White Rain shampoo extra body 16 oz
33	Listerine mouthwash 3 oz.	108	Aqua Net super 9 oz.
34	Oral B 40 toothbrush soft	109	K-Y jelly sterile lubricant 4 oz.
35	Crest gel tartar 6.4 oz.	110	Advil caplets 50
36	Tylenol ex str caplets 100	111	Speed Stick deod musk 2.5 oz.
37	Tylenol ex str tablets 30	112	Band-Aids 60s
38	Tampax super 40	113	Crest toothpaste tartar 8.2 oz.
39	AoSept disinfecting solution 8 oz.	114	Crest gel tartar tube 8.2 oz.
40	Tampax original regular 40	115	B&L sensitive eye daily cleanser 1 oz.
41	Benadryl Kapseals 25mg 24	116	Colgate tartar gel 6.4 oz.
42	Aqua Net extra superhold 9 oz.	117	Vicks Vapo Rub 1.5 oz.
43	Afrin nasal spray 15 cc	118	Vaseline petroleum jelly 3.75 oz.
44	Colgate toothpaste 7 oz.	119	White Rain extra hold 7.5 oz.
45	Dimetapp elixir 4 oz.	120	Gillette Atra Plus blades 5
46	Listerine mouthwash 12 oz.	121	Preparation H ointment 1 oz.
47	Plax dental rinse original 8 oz.	122	Excedrin tablets 100
48	Carefree pantyshield reg 26	123	Advil tablets 100
49	Colgate tartar 6.4 oz.	124	Speed Stick ap fresh 2.25 oz.
50	Tylenol children's tab chew 30	125	Contac capsules 10
51	BIC Sensitive Shaver 5 pk	126	Playtex tampon deod super 28
52	Alka Seltzer Plus cold tablet 36	127	Dimetapp extentabs 12
53	Gillette Atra Plus 10	128	Trojan regular 12
54	Trojan enz lub 12	129	Vaseline petroleum jelly 1.75 oz.
55	Stayfree Super Maxi 30	130	Robitussin cough syrup plain 4 oz.
56	Tampax Super Plus 10	131	Pampers Ultra Plus large 32
57	Gillette Trac II blades 10	132	Actified tablets 12
58	Trojan enz lub 3	133	Efferdent denture tablets 40
59	Neosporin ointment .5 oz.	134	Tampax Super Plus 40
60	Tylenol children's drops .5 oz.	135	Carefree pantyshield deod (1.49) 26
61	Tylenol ex str tablets 60	136	Nuprin 24
62	Advil caplets 24	137	Speed Stick fresh scent 2.5 oz.
63	Visine eye drops .5 oz.	138	Massengill vingr/wtr mild twin 12 oz.
64	Gillette Micro Trac razor 10	139	Stayfree regular maxi 30
65	Bayer children's aspirin 36	140	Crest toothpaste regular tube 4.6 oz.
66	AoSept disinfecting solution 12 oz.	141	Speed Stick ap unsc 2.25
67	Vaseline Lip Therapy	142	Gillette Good News disp razor 5
68	Lens Plus sterile saline 12 oz.	143	Colgate tartar 4.6 oz.
69	Pepto Bismol 4 oz.	144	Correctol tablets ext. 30
70	Efferdent tablets 96	145	Crest gel tartar pump 4.6 oz.
71	Aqua Fresh toothpaste tube 6.4 oz.	146	Alka Seltzer foil 36
72	Aqua Net X-Super hold unsc 9 oz.	147	Playtex tampon non-deod super 28
73	Tylenol ex str tablets 100	148	Mineral Ice 8 oz.
74	Colgate toothpaste 5 oz.	149	Colgate toothpaste tube 9 oz.
75	Tylenol child chew grape 30	150	Gillette Trac II blades 5

Source: *Drug Store News* research

150 Hottest General Merchandise Items

(Ranked by dollar volume)

Rank	Product name	Rank	Product name
1	Polaroid 600 High Spd film	76	Executive envelopes 100
2	Polaroid SX 70 Time Zero	77	Eveready 9v heavy duty 2 pk
3	Polaroid 600 High Spd film twin	78	Kodak carded VRG 100 135-12
4	Kodak VRG 200 135-24	79	Fuji CN 135 24 100
5	Kodak VRG 100 print film 135-24	80	3M Scotch Magic tape ½ x 450
6	Duracell AA 8 pk	81	Liquid Paper white
7	Kodak HR disc 2 pk	82	Ajax cleanser regular 14 oz.
8	Kodak VRG 400 carded 135-24	83	BASF T160 VHS tape
9	Eveready AA energizer 4 pk	84	Hefty Cinch Sak 30 gal 10
10	Kodak VRG 100 carded 3 pk/135	85	Fab 1 Shot 10
11	Kodak VRG 400 carded 135-36	86	Kleenex facial tissue white 250
12	Kodak VRG 100 carded 135-36	87	Irish Spring 5 oz.
13	Polaroid Spectra film single	88	Dial bath gold 5 oz.
14	Duracell C 2 pk	89	Mead Trapper portfolio
15	Eveready C energizer 2 pk	90	Elmers white glue 4 oz.
16	Kodak VRG 200 sp 135-36	91	Tone bath 4.75 oz.
17	Duracell AA 2 pk	92	Kodak VRG 200 carded 110 3 pk
18	Clorox bleach gal	93	Windex refill 32 oz.
19	Mead Trapper Keeper	94	Fuji CN 110 24 100
20	Wisk liq detergent 64 oz.	95	Kleenex facial white 175
21	Dove liq. dish soap 48 oz.	96	Scotch Hi Grade videotape T120
22	Duracell D 2 pk	97	Dow bathroom cleaner
23	Duracell 9 volt	98	Fuji CH 135 24 400
24	Eveready D Energizer 2 pk	99	Coronet bath tissue
25	Duracell AA 4 pk	100	Kodak VRG 400 110-24 carded
26	Tide 42 oz.	101	BASF T120 videotape 4 pk
27	Eveready AA heavy duty 4 pk	102	BIC Stic pen blue 10
28	Eveready 9v Energizer battery	103	Krazy Glue
29	Downy blue 64 oz.	104	BIC Stic pen black 10 pk
30	Dawn liquid 22 oz.	105	Papermate Write Bros. black 10 pk
31	Tide liquid scented .75 off 64 oz.	106	Sno Bowl toilet cleaner 24 oz.
32	Eveready AA Energizer 2 pk	107	Glass Plus trigger spray 32 oz.
33	Scotch VHS T120 video cass	108	Fantastik cleaner w/gun 32 oz.
34	Kodak VRG 200 carded 110-12	109	Cottonelle white 4 pk
35	Surf liq det 64 oz.	110	Sony audio HF90 cass 2 pk
36	Liquid Clorox 2 32 oz.	111	Kodak Fling 35 camera
37	Dial bath gold 4 pk	112	Cottonelle color 4 pk
38	Downy sheets 36	113	Northern bath tissue white 4 pk
39	Bounce scented 40	114	Brawny towels asst colors
40	Charmin bath tissue white	115	Reynolds wrap heavy duty 37½
41	Eveready D heavy duty 2 pk	116	Kleenex facial asst. 175
42	Joy liquid 22 oz.	117	Kodak 35mm 24 exp 2 pk
43	Dove bar soap bath	118	Dial liquid soap pump 8 oz.
44	Arm & Hammer baking soda 16 oz.	119	Solo liquid detergent 64 oz.
45	Palmolive dish liq 22 oz.	120	Brawny towels print on white
46	Scotch video tape T120 3 pk	121	Lysol deodorizing cleaner 28 oz.
47	Clorox Fresh Scent gal.	122	Scotch VHS head cleaner T120
48	Crayola Crayon 24	123	Brawny towel 3 pk
49	Yes laundry detergent 64 oz.	124	All liq det 96 oz.
50	Charmin bath tissue assorted	125	Kodak Supralife AA 4 pk
51	Snuggle fab softener 64 oz	126	Comet cleanser 14 oz.
52	Sony VHS T120 cassette	127	Glad trash bags bonus 30 gal
53	Northern bath tissue white 6 pk	128	Kodak Supralife D 2 pk
54	Ivory liquid 22 oz.	129	Hefty Cinch Sak Lawn & Leaf 39 gal
55	Charmin bath tissue 6 pk	130	3M Post-It pads prepk 3x3
56	Lysol Scent II deodorant 12 oz.	131	Glad trash bags 10
57	Liquid Plumber 32 oz.	132	Northern bath tissue asst 4 pk
58	Eveready AA gen purpose 4 pk	133	Scott paper toweling 124
59	Eveready C heavy duty 2 pk	134	Surf liq det 128 oz.
60	Lysol spray disinfectant 12 oz.	135	Sony audio HF60 cass 2 pk
61	BASF VHS T120 videotape	136	BIC lighter 2 pk
62	Duracell D-4/C-4 ppk	137	Kodak 110 24 exposure 2 pk
63	Bounty paper towels	138	Sony standard videotape beta L750
64	Ivory soap personal 4 pk	139	Kodak Supralife C 2 pk
65	Arm & Hammer detergent hd 64 oz.	140	3M Magic Tape floor display
66	Tide pwd laundry detergent 17 oz.	141	Kodak VRG 200 carded 135-12
67	Maxell videotape standard EX T120	142	Kodak 3 pk 135-24 12 exp free
68	Kodak HR disc	143	Kodak VR 1000 24
69	Cascade diswasher pwd 50 oz.	144	Kodak Supralife 9v battery
70	Jergens mild soap 4 pk	145	Lemon Pledge 7 oz.
71	Mead security envelopes	146	Northern napkin 250
72	Eveready 9v gen purpose 2 pk	147	Kodak VRG 200 carded 126-12
73	3M Magic trans tape ¾ x 300	148	Lisa Frank fashion portfolio
74	Cheer det liq 64 oz.	149	Palmolive Gold/b pp 1.19 3/p
75	Caress bar soap bath	150	Lux bar soap 6 pk

Source: *Drug Store News* research

(Ranked by units sold)

Rank	Product name	Rank	Product name
1	Bounty paper towels	76	BIC Stic pen blue 10
2	Clorox bleach gal	77	BIC Stic pen black 10 pk
3	Kodak VRG 100 135-24	78	Cheer det liq 64 oz.
4	Kodak VRG 200 SP 135-24	79	Polaroid Spectra film single
5	Eveready AA Energizer 4 pk	80	Eveready 9v heavy duty 2 pk
6	Polaroid 600 film	81	Brawny towels assorted colors
7	Arm & Hammer baking soda 16 oz.	82	Kleenex facial white 175
8	Dove liq. 48 oz.	83	Duo tang pocketfolio w/prongs
9	Dawn liquid 22 oz.	84	Charmin bath tissue 6 pk
10	Duracell AA 4 pk	85	Brawny towels print on white
11	Duracell AA 2 pk	86	Lysol Scent II deodorant 12 oz.
12	Duracell C 2 pk	87	3M Post-It pads prepk 3x3
13	Eveready C Energizer 2 pk	88	Lysol spray disinfectant 12 oz.
14	Duracell D 2 pk	89	Cascade dishwasher 50 oz.
15	Eveready D Energizer 2 pk	90	Papermate Write Bros. black 10 pk
16	Ajax regular 14 oz.	91	Sony VHS T120 cassette
17	Kodak HR disc 2 pk	92	Dow bathroom cleaner
18	Eveready AA heavy duty 4 pk	93	Cottonelle white 4 pk
19	Kodak VRG 400 carded 135-24	94	Mead notebook 3-hole
20	Dove bar soap bath	95	BASF VHS T120 videotape
21	Duracell AA 8 pk	96	Kodak HR disc
22	Comet cleanser 14 oz.	97	Kleenex facial asst 175
23	Duracell 9 volt	98	Windex refill 32 oz.
24	Eveready AA Energizer 2 pk	99	Krazy Glue
25	Eveready 9v Energizer	100	BIC lighters
26	Palmolive dish liq 22 oz.	101	Glass Plus trigger spray 32 oz.
27	3M Magic trans tape 3/4 300	102	Stuart Hall spiral notebook
28	Crayola Crayons 24	103	Cottonelle color 4 pk
29	Kodak VRG 100 carded 135-36	104	Sno Bowl toilet cleaner 24 oz.
30	Joy liquid 22 oz.	105	Reynolds Wrap heavy duty 37½
31	Tide 42 oz.	106	Fantastik cleaner w/gun 32 oz.
32	Polaroid SX 70 Time Zero	107	Kodak carded VRG 100 135-12
33	Dial bath gold 5 oz.	108	Fuji CN 135 24 100
34	Charmin bath tissue asst.	109	Hefty Cinch Sak trash 30 gal 10
35	3M Scotch Magic tape ½ x 450	110	Lisa Frank fashion portfolio
36	Kodak VRG 400 carded 135-36	111	Duracell D-4/C-4 pk
37	Downy blue 64 oz.	112	Maxell videotape standard EX T120
38	Wisk liq detergent 64 oz.	113	Reynolds wrap 25 ft 12 in
39	Eveready AA gen purpose 4 pk	114	Coronet bath tissue
40	Charmin bath tissue white	115	BIC lighter 2 pk
41	Dial bath gold 4 pk	116	Fab 1 Shot 10
42	Clorox Fresh Scent gal.	117	Dial liquid soap pump 8 oz.
43	Kodak VRG 200 135-36	118	Fuji CN 110 24 100
44	Eveready C heavy duty 2 pk	119	Mead 3x5 ruled index cards 100
45	Kodak VRG 200 carded 110-12	120	Sony audio HF90 cass 2 pk
46	Caress bar soap bath	121	Northern bath tissue asst 4 pk
47	Jergens mild soap 4 pk	122	Lux bar soap 6 pk
48	Mead security envelopes	123	Palmolive Gold/b 3/p
49	Irish Spring bath soap 5 oz.	124	BASF T160 VHS tape
50	Ivory liquid 22 oz.	125	Fuji CH 135-24 400
51	Eveready D heavy duty 2 pk	126	Purex Brillo pad 10
52	Mead Trapper portfolio	127	Scotch videotape T120 3 pk
53	Elmers white glue 4 oz.	128	Calgon trial size 4
54	Bounce scented 40	129	Brawny towel 3 pk
55	Hi Dri paper towels asst.	130	Sony audio HF60 cass 2 pk
56	Tone bath 4.75 oz.	131	Northern bath tissue white 4 pk
57	Liquid Clorox 2 32 oz.	132	Lemon pledge 7 oz.
58	Eveready 9V gen purpose 2 pk	133	Lysol deodorizing cleaner 28 oz.
59	Scott paper toweling 124	134	BIC mini lighter 4 pk
60	Executive envelopes 100	135	Glad trash bags 10
61	Ivory Soap personal 4 pk	136	Scripto Turbo single lighter
62	Liquid Plumber 32 oz.	137	Kodak Supralife AA 4 pk
63	Tide detergent 17 oz.	138	Palmolive green bar
64	Downy sheets 36	139	Northern napkin 250
65	Northern bath tissue white 6 pk	140	3M transparent tape 3 pk
66	Kodak VRG 100 carded 3 pk/135	141	Kodak VRG 400 110-24 carded
67	Yes laundry detergent 64 oz.	142	Puffs white 175
68	Liquid paper white	143	Kodak Supralife C 2 pk
69	Mead Trapper Keeper	144	Kodak VR 1000 135-24 carded
70	Arm & Hammer detergent 64 oz.	145	Scripto Ult/lite lighter pk
71	Polaroid 600 high spd film twin	146	Kodak Supralife D 2 pk
72	Scotch VHS T120 video cass	147	Glad trash bags bonus 30 gal
73	Surf liq det 64 oz.	148	Kodak Supralife 9v battery
74	Tide liquid scented 64 oz.	149	Scotch Hi Grade videotape T120
75	Kleenex facial tissue white 250	150	Kodak VR 400 36

Source: *Drug Store News* research

The more things change. . . a look at Triple-A 10 years ago

We looked back 10 years, to the 1979 Triple-A Study, to see whether some categories and specific products that ranked in the top 20 then are still up there this year.

It should be noted that in the 1979 study, H&BA and general merchandise categories were lumped together, rather than ranked separately; there were just two lists, ranking 100 products by dollar volume and 100 by unit volume. This complicates making comparisons, but a few things do stand out, such as:

- Batteries didn't make the top 20 Triple-A items in the 1979 study, either in units or dollars. This year, they appeared eight times in the top 20 for units, and five times in dollar volume.
- Lens care-Eye care items didn't make the top 20 in units or dollars 10 years ago, whereas Bausch & Lomb and AoSept products were in the top 20 in dollar sales, and B&L also in units, in the 1989 study.
- Photo products, strong in 1979, are even more strongly represented this year, with 12 items in the top 20 in dollar volume, versus eight a decade ago. In units, there were five products among the 20 hottest items in 1979 and 1989.
- Household products weren't in 1979's top 20, but they are this year, seven times in units, once in dollar volume.
- Mouthwashes and toothpastes were in the top 20 in 1979, but only mouthwashes are this year.
- Some products, such as Listerine, Tylenol, Bayer, Tampax, Oil of Olay, Chapstick and Pampers, were hot then and have stayed that way.

June Sampler

(June 1989 advertised pricing of popular items in six categories)

Analgesics category

Product	Ad price range: low, high	Chain
Advil 50	$2.99 $4.77	Drug Emporium Rite Aid
Advil 100	$4.99 $5.99	Fazios Revco (less rebate)
Bayer 100	$3.49 $3.99	Commonly used among chains SupeRx of Arizona
Excedrin 100	$3.69 $5.49	Med X Peoples
Tylenol 100	$4.97 $5.99	Fay's Big B

Antacids category

Product	Ad price range: low, high	Chain
Maalox 12 oz.	$2.89 $3.99 $4.79	Thrift Most common price Fantle's
Mylanta 12 oz.	$2.44 $2.79	CVS Peoples
Mylanta II	$3.09 $4.79	Super D (with coupon) Revco

Dental category

Product	Ad price range: low, high	Chain
Efferdent 96	$3.69 $3.99	Longs Big B
Listerine	$2.99 $3.89	Most common price Super D
Plax	$1.99 $2.49	Common low price Common high price

Skin care category

Product	Ad price range: low, high	Chain
Oil of Olay 4 oz.	$4.58 $4.79	Med X Pay Less
Oil of Olay 6 oz.	$5.69 $6.39	CVS, Longs Peoples

Film category

Product	Ad price range: low, high	Chain
Kodak Disc 2-pack	$3.99 $4.99	SupeRx (Ohio) Peoples, Bartell, Medic
Kodak VRG 400 24 exp.	$3.59 $3.99	Med X Peoples

Batteries category

Product	Ad price range: low, high	Chain
Energizer AA 4-pk	$1.99 $2.79	Kerr Pay Less
Duracell AA 8-pk	$3.78 $4.19	Med X (plus rebate) Peoples

Source: Vereen & Associates

Triple-A performers ring up sales, take bow

Continued from page 31

stores directly.

Fourteen H&BA categories and five general merchandise categories are represented in this year's 150-item lists, and in the following pages, *Drug Store News* focuses on nine of them: film, batteries, stationery-school-home office, baby care, analgesics, laxatives, antacids, cough-cold and lens care-eye care. (The first four also were categories that drug chain merchandisers and buyers, in a December survey, predicted would be among the hottest in 1989.)

Some of the categories and specific products starring in Triple-A this year have had long runs at the top: Among general merchandise categories, for instance, film and batteries have dominated the top 10 Triple-A rankings in dollars for several years. And Fleet Adult Enema has been the No. 1 H&BA item in units for at least five years. (*Drug Store News* has been conducting Triple-A studies since 1970.)

Some of the categories and specific products starring in Triple-A this year have had long runs at the top: Among general merchandise categories, for instance, film and batteries have dominated the top 10 Triple-A rankings in dollars for several years.

This year, the five top general merchandise performers in dollar sales are Kodak and Polaroid film products; in unit movement, film accounted for three of the top six rankings. Drug stores have cashed in on the booming film market through creative promotional and marketing programs and effective quality control measures.

Batteries' Triple-A showing this year correlates with the aggressive promotions, increased shelf space and secondary locations drug retailers are giving this category. The category earned seven of the top 15 spots in the general merchandise unit rankings and four of the top 15 in dollar sales.

New products, line extensions and Rx-to-OTC switches have infused several categories with fresh possibilities for merchandising and promotion. Demographic trends, including the aging population, second baby boom and the increase in home-based workers, are stimulating innovation both by manufacturers and retailers.

In antacids and laxatives, for example, two categories where the over-50 consumer is a dominant factor, manufacturers are responding with extra-strength formulations, additional flavors, dietary benefits and sugar-free extensions.

The home office segment of the stationery category is burgeoning at drug stores, which are benefiting not only from shoppers' penchant for organization, but from the growing ranks of people working out of their homes.

The impact of the baby boom can be seen in the baby care category, where diaper manufacturers, for example, have developed gender-specific lines, diapers with softer waistbands and biodegradable products. Drug store retailers are stepping up their merchandising and promotional efforts in baby care, with an eye to attracting new mothers, who are perceived as a key niche.

In lens care-eye care, new product introductions increased category sales by 12 percent in 1988. To stay abreast of product proliferation and consumer demand for new regimens, some drug chains are expanding the section and replanogramming more frequently.

New dosage forms, such as the caplet and the more recent introduction of the gelcap, have been advantageous to the analgesic category, which is strongly represented in Triple-A.

Rx-to-OTC switches and line extensions have enhanced the cough-cold category, and some retailers are bringing these products closer to pharmacy, to increase pharmacist-customer communication on such items as OTC formulations previously available only by prescription.

Although most Triple-A products are heavily promoted, there are exceptions; Chapstick and Blistik, for example, are often displayed as impulse items at checkstands or the pharmacy counter, but rarely appear in chains' ads, according to Vereen & Associates, which tracks ad activity each month among 46 drug chains. Fleet Adult Enema gets top H&BA unit ranking, yet, again, it isn't heavily advertised by the chains Vereen monitors.

Some items, such as Q-tips and other cotton swabs, are advertising chameleons, in that they are variously promoted as baby, cosmetic or health care items.

Product movement rankings in the Triple-A study are based on warehouse withdrawal data from a sampling of leading drug chains for a year covering roughly the second half of 1988 and first half of 1989.

BEST COPY AVAILABLE

Most frequently advertised antacid brands
(First six months of '89,
total newspaper & circular ads from a 46-chain base = 955)

Brand	% of total antacid products advertised
1. Tums	15.6%
2. Maalox	13.9
3. Pepto Bismol	13.8
4. Mylanta	11.6
5. Alka Seltzer	9.3
6. Gaviscon	7.6
7. Rolaids	5.7
8. Phillips	4.5
9. DiGel	2.7
10. Riopan	1.5
Total of most frequently advertised brands	86.2
Other brands (including private label)	13.8
Total	100.0

Source: Vereen & Associates

Aging population drives chain drug sales for the ethical laxatives-antacids category

Laxatives and antacids are two categories traditionally merchandised side-by-side in drug chains, and sales from both categories are consistently driven by the aging population.

Forty-four percent of all adults have suffered heartburn in the past month, and those over 50 years of age are more likely to suffer from it three or more times a month, a Gallup national survey revealed. The report also said doctors most frequently tell their patients to monitor their diets and take OTC antacids to relieve heartburn distress.

Extra-strength formulations, fruit-flavored additions and single and three-roll packs are ways antacid manufacturers are meeting the needs of the modern mature, the segment of the population who buys these products most often. These trends appeal to their need for fast relief, a non-chalky, better-tasting product, and convenience.

Maalox and Mylanta, two ethical antacid products, were among the most frequently advertised antacid brands over a 6-month period, Vereen & Associates data revealed. These two products also ranked relatively well in both unit volume and dollar sales in the Triple-A rankings. Pepto Bismol was also promoted fairly heavy and enjoyed mentions in both Triple-A lists.

Although Triple-A rankings of antacids included only ethical preparations, Vereen data showed Tums and Rolaids as heavily advertised nonethical antacids. In fact, Tums was the brand most heavily advertised of all antacids, accounting for a 15.6-percent share over 1989's first half.

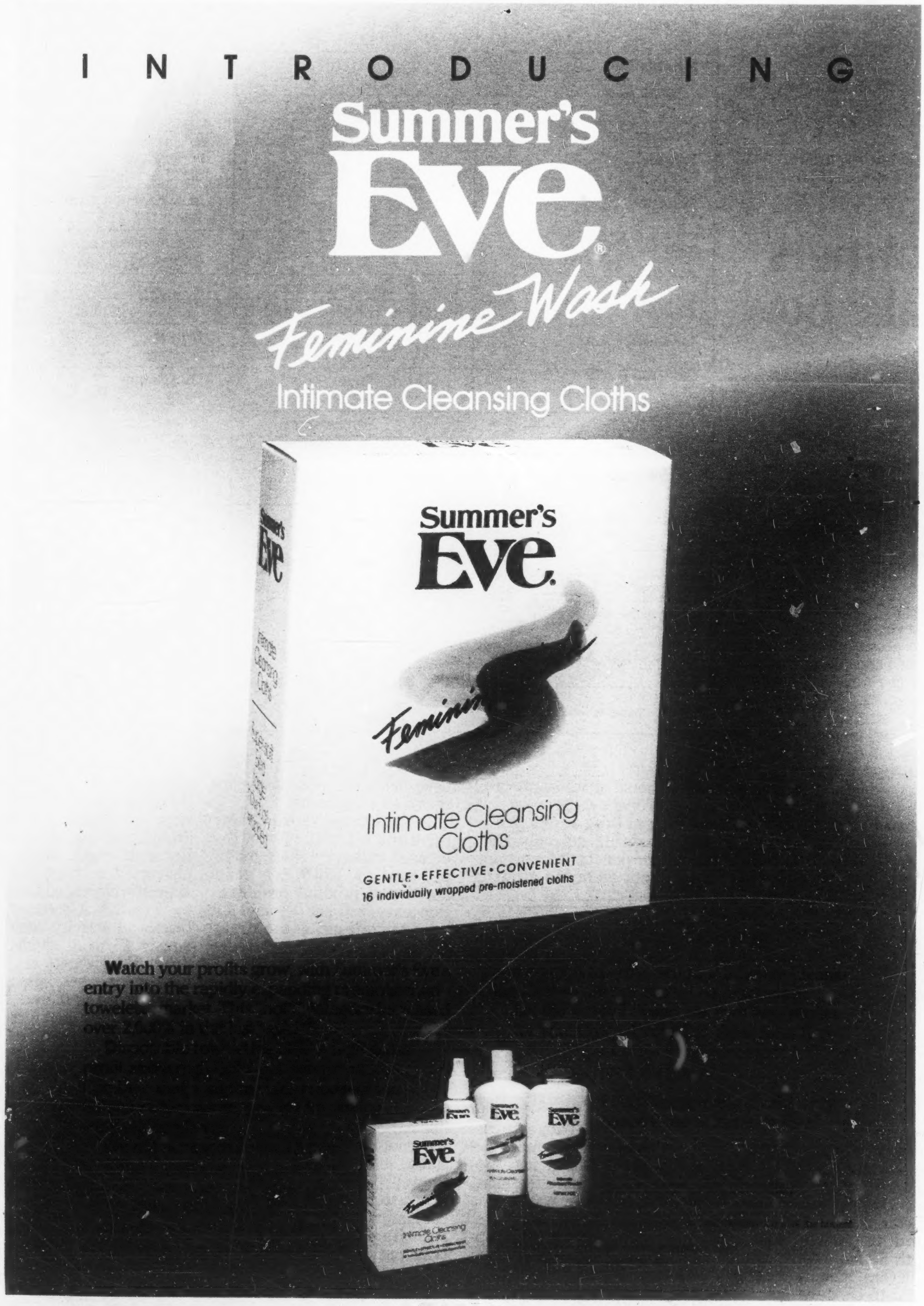
Manufacturers are also capturing additional sales by touting their products as calcium-builders, another concern for people over 50. The future of the antacid category should remain strong, with the proposed approval of the transfer of Tagamet from Rx to OTC status.

The aging population is more likely to buy laxatives with ease of use and dietary benefits in mind, but price may also be a purchasing factor. This Eckerd shopper ponders a sale-priced laxative item.

Laxative products are another category in which older people are looking for ease of use and dietary benefits. Bulk laxatives containing fiber remain the strongest segment, because they are easy to take and are said to be milder than the liquids, tablets, mints and gums. Sugar-free extensions have been added to these lines in recent months, to respond to consumers' concerns over their dietary intake.

Metamucil is currently trying to get approval from the FDA for a claim that it also reduces cholesterol levels. Category sales will undoubtedly skyrocket if the brand achieves this additional medical use.

Fleet Enema, a related health aids product, ranked No. 1 in unit volume in the Triple-A top 150 H&BAs list.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Price opportunity seen in eye care

New cleaning regimens argue for expanded sections

Just 2 percent of items advertised by drug chains in 1988 were lens care-eye care products, reported Vereen & Associates.

Yet new product intros which added plus-business to the category helped raise sales 12 percent in 1988, reported IMS Pipeline data. With the constant proliferation of new regimens, it makes sense for drug chains to expand their lens care-eye care section, and to increase ads based on price.

Bausch & Lomb products accounted for 24 percent of the total lens care-eye care products advertised over 1989's first six months. That brand's Saline Solution for Sensitive Eyes ranked among the Triple-A top 15 H&BA items. CIBA Vision's AoSept, Allergan's Lens Plus saline solution, and Leeming's Visine were high-sales products that were heavily advertised by select drug chains.

To keep up with the constant introduction of lens care products and demand for new regimens, chains such as Kerr in North Carolina expanded displays to create one of the industry's largest. In New York, Duane Reade's Eli Cohen said the section is replanogrammed every six months at his chain.

This strategy, coupled with drug stores promoting themselves and their pharmacists as eye care specialists, can lead to additional sales and profits. If consumers follow proper maintenance schedules and disinfecting and cleaning regimens, with pharmacists counseling hard and soft lens wearers, industry watchers say sales for the category could double.

More good news for drug stores is the slow-paced introduction of disposable contact lenses, which threaten to rob sales from the care category. Originally perceived as a breakthrough in lens care, they haven't yet been fully developed, so people are still buying plenty of cleaning regimens.

Most frequently advertised eye-lens care brands

(First six months 1989,
total newspaper & circular ads from a 46-chain base = 1,387)

Brand	% of total eye care products advertised
1. Bausch & Lomb	24.4%
2. CIBA Vision	13.6
3. Alcon	11.8
4. Allergan	10.7
5. Coopervision	7.6
6. Murine	6.6
7. Visine	6.1
Total of most frequently advertised brands	80.8
Other brands (including private label)	19.2
Total	100.0

Source: Vereen & Associates

Most frequently advertising analgesic brands

(First six months 1989, total newspaper and circular ads
from a 46-chain base = 1,872)

Brand	% of total analgesics products advertised
1. Tylenol	14.9%
2. Bayer	9.5
3. Advil	7.9
4. Excedrin	6.6
5. Ecotrin	6.1
6. Anacin	5.9
7. Bufferin	4.9
8. Nuprin	4.3
9. Panadol	1.9
10. Midol	1.8
11. Medipren	1.5
Total of most frequently advertised brands	65.3
Other brands	34.7
Total	100.0

Source: Vereen & Associates

Caplets and ibuprofen fuel banner year for analgesic sales in chain drug stores

Analgesics had a banner year in 1988, with an 8-percent overall increase in units sold at chain drug stores, IMS Pipeline data reported. The caplet dosage form proved successful after several tampering incidents in the '80s caused a marketing shift away from capsules. The gelcap, another dosage form introduced by McNeil, has also gained consumer acceptance. Smaller than original capsules, it's said to be easier to swallow than tablets or uncoated caplets.

Since ibuprofen's switch from Rx to OTC status in 1984, this segment has enjoyed healthy sales performances. No wonder, since 82 percent of the adult population uses non-prescription headache remedies and pain relievers, reports Ted Gladson, of Gladson & Associates.

It is too early to tell whether recent findings from *The New England Journal of Medicine* will boost aspirin sales. New results state that taking one 325 mg aspirin tablet every other day can reduce risk of *first* heart attacks in healthy men. Previously, government officials said taking an aspirin a day may help prevent a second heart attack.

> *Since ibuprofen's switch from Rx to OTC in 1984, this segment has enjoyed healthy sales performances.*

Over a six-month period ended June 1989, Vereen ad tracking data revealed that Tylenol products represented 15 percent of the total analgesic products advertised in selected chain drug circulars and newspaper ads. And, Tylenol Extra Strength Caplets 100s ranked as the No. 1 H&BA item in dollar sales in *Drug Store News'* Annual Triple-A survey.

Bayer Aspirin accounted for 10 percent of all analgesics products advertised, and Advil made up eight percent of advertised ibuprofens, Vereen's data showed. In both unit volume and dollar sales, these two brands were represented among the top 30 H&BA products in the Triple-A survey.

Excedrin, Anacin and Nuprin rounded out the Triple-A top 150 H&BA product list, as these brands were also promoted most frequently by chain drug stores.

Sinus, allergy preps give cough-cold year-'round strength

Cough-cold departments at drug chains are truly a year-round category, with sinus and allergy preparations rounding out the mix. The major trend in the department, as in years past, is the dominance of established Rx brands switching to OTC formulations. Line extensions of existing brands also contribute to growth in the category.

Vereen & Associates tracked the months of January, February, October and November in 1988 as heavy promotional times to advertise cough, cold and allergy products, although drug chains are realizing that advertising year-round leads to quicker product turns.

Nite Time
NyQuil
Pampers
COUGH FORMULA
44M
28
Sinutab
Plus

Rite Aid places cough-cold-allergy products on an endcap near the prescription counter, so pharmacists can recommend products for specific consumer needs.

With more Americans self-medicating, pharmacists' input in this area is of primary importance. Many retailers are strategically placing OTC formulations (previously available by prescription only) closer to the prescription department, especially using displays and endcaps during the cough and cold season, to prompt consumers to ask a pharmacist's advice.

The Dimetapp brand captured approximately 9 percent of all cough-cold-allergy products advertised in selected chain drug circulars and newspaper ads over a 6-month period, Vereen estimates. Once a prescription item, this OTC line ranked among the top 50 Triple-A H&BA products. Sudafed, Benadryl, Nyquil made by Vicks, and Alka Seltzer Plus made strong showings on both lists, as items predominantly advertised by drug chains and those that were high dollar sales and unit movers.

Most frequently advertised cough-cold-allergy brands

(First six months 1989, total newspaper and circular ads
from a 46-chain base = 2,570)

Brand	% of total cough-cold-allergy products advertised
1. Dimetapp	8.6%
2. Sudafed	7.6
3. Benadryl	6.5
4. Vicks (including NyQuil)	6.2
5. Contac	4.9
6. Actifed	4.2
7. Afrin	3.5
8. Robitussin	3.4
9. Drixoral	3.2
10. Dristan	2.7
11. Comtrex	2.5
12. Sinutab	2.4
12. Alka Seltzer Plus	2.4
Total of most frequently advertised brands	58.1
Other brands (including private label)	41.9
Total	100.0

Source: Vereen & Associates

Triple A: Stationery-home office **TRENDS**

Stationery-home office dept. now 'teacher's pet' for chain drug buyers

It's back-to-school time, when stationery-school-home office departments earn their highest marks as profit centers for drug chains.

All through August and into September, and increasingly, starting in late July, chains pull out the advertising stops to remind students it's time to stock up for school. August is unquestionably the peak back-to-school advertising month. In fact, 16 percent of items advertised by drug chains tracked by Vereen & Associates during August 1988 were in the stationery category—the highest monthly percentage not only for stationery, but for any single category last year.

Their efforts are justified by category sales of $1.8 billion in 1988, a 10.5 percent overall growth rate and gross margins of 40-45 percent.

The home office segment is currently the "teacher's pet" of drug chain buyers and merchandisers, with 62 percent of them saying in a recent *Drug Store News* survey that home office is where they plan to invest over the next two years. However, more than two-thirds of executives in the same survey said they consider school supplies a "very important" part of the category.

This back-to-school season, some chains, such as Arbor Drugs in Michigan, are adding roll bags and knapsacks to their broad assortments of fad and fashion portfolios and notebooks, novelty pens and pencils, and "bread-and-butter" items like notebooks and filler paper. Many chains are cultivating the college trade with upgraded products to help students organize desks and computer work areas.

Home office supplies, which contributes 30.2 percent of department sales, continues to be a priority area of expansion for drug chains, who find that giving the segment increased exposure strengthens the whole department as a year-round business. Some operators, such as LaVerdiere's, are striving to build a stronger identity for the home office segment by pulling home office products out of the school-stationery mix and creating a separate adjoining section for home office. Increasingly, chains are offering computer supplies, such as computer paper, floppy disks and diskette holders.

To compete with specialty office supply megastores like Staples and Office Depot, which offer product in bulk for small-office consumers, drug chains are offering downsized bulk packs and using compact displays especially tailored to their more limited space.

Second-semester and tax time are growing in importance as advertising opportunities for drug chains' stationery-school-home office department. Some chains are lengthening their tax-time promotional period, starting in January and continuing to advertise organizational and record-keeping items through April. As seen in the accompanying graph, for the first six months of 1989, Mead, Stuart Hall, 3M, Crayola, Papermate and BIC—all represented in Triple-A—were among companies whose products were most frequently advertised in the category by drug chains that Vereen & Associates tracks. Reflecting the second-semester and tax-time opportunities, the stationery-school-home office category was most frequently represented in chains' advertising during January and February, tapering off to the lightest periods, May and June.

Most frequently advertised stationery brands

(First six months 1989, total newspaper and circular ads from a 46-chain base = 820)

Brand	% of total stationery products advertised
1. Mead/Cambridge	10.0%
2. Stuart Hall/Executive	9.9
3. 3M (Scotch)	6.5
4. Crayola	4.5
5. Papermate	3.8
6. Bic	3.1
7. Oxford	2.2
8. Krazy Glue	1.4

Source: Vereen & Associates

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7-11-21 goes on sale September 16th. And, to let people know how fun and exciting this newest Scratcher really is, we have a full schedule of 7-11-21 television commercials, radio, print and point of sale.

And what's good for your business, is good for California. Last year, the Lottery contributed over one billion dollars to public education in our state. That represents approximately 3% of California's annual public education budget.

So talk to your California State Lottery Sales Representative. And find out how you get a 22% raise on Game 28.

California Lottery
Scratchers

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Film deserves image as a top performer

A Photo Marketing Association study found that 24.5 percent of U.S. households use drug stores, such as this Rite Aid store in Harrisburg, Pa., as their primary retail source for film.

Chain drug merchants have developed a real fondness for film, and with good reason. The category is a top performer, justifying its often-dual positioning at the checkstand and the photo department with quick turns and big revenues.

In *Drug Store News'* annual Triple-A survey of the top 150 general merchandise performers, Kodak and Polaroid film products accounted for the top five dollar sales performers, and 11 of the top 15. Film also took three of the top six spots in terms of item movement.

With the boom in popularity of 35mm photography in the last decade, it's no surprise that film has been a consistent growth market. But drug retailers deserve credit for keying in on the increasing demand with sharp promotional programs, successful quality-control efforts and a variety of creative marketing campaigns aimed at capturing the amateur shutterbug's loyalty.

The success of drug chains in holding on to a big chunk of the photofinishing and film business is no small potatoes. A study of American buying habits by the Photo Marketing Association showed that 24.5 percent of U.S. households use drug stores as their primary retail source for film. Equally important, nearly two-thirds of film buyers are women, the PMA reported.

Last year, that translated into a 10.8-percent gain in film sales at U.S. drug chains, to $568 million. Gains were even better for chains with aggressive photofinishing and film marketing programs.

Film is both a beneficiary of and a contributor to the chain drug photofinishing business, which was up a healthy 9.4 percent last year. In addition, retailers like Eckerd Drug and Fruth Pharmacy have moved film out from behind the photo counter to self-service racks near the checkouts to trigger impulse buying.

Manufacturers have done their part to spur sales with traditionally heavy ad expenditures, making brand names like Kodak and Polaroid household names for generations and making Fuji one of the best-known brand names of recent years.

Interestingly enough, Kodak continues to garner the lion's share of chain drug print advertising efforts. In a study by Vereen & Associates for *Drug Store News*, Kodak comprised about half of all film advertising by drug chains surveyed in the first half of this year. By comparison, Polaroid accounted for 9 percent of the ads, and Fuji 6 percent.

Polaroid's 600 high-speed instant film was ranked the No. 1 performer in dollar volume among general merchandise products in drug chains.

Major new line entries from the manufacturers also helped trigger the sales gains. Among them: Kodak's new Kodacolor Gold, Polaroid's all-purpose OneFilm, Fuji's Super HR film and 3M's Scotch brand.

Most frequently advertised film brands

(First six months 1989, total newspaper and circular ads from a 46-chain base = 1,874)

Brand	% of total film products advertised
1. Kodak	49.5%
2. Polaroid	8.6
3. Fuji	6.0
Total of most frequently advertised brands	64.1
Other brands (including private label)	35.9
Total	100.0

Source: Vereen & Associates

Batteries are still riding that consumer electronics wave

The booming consumer electronics revolution continues to push battery sales to new heights, and drug retailers have been quick to seize the opportunity. Many chains have boosted shelf space for batteries significantly and added secondary locations, often in prime spots like front-end endcaps and checkstands.

The increasing demand for batteries to power the high-tech toys and games, computers and portable electronic gear that crowd modern life is evident in the numbers. Battery sales are growing in real terms at a steady clip of 12 percent a year in units, with well over 3 billion units expected to be sold this year, according to Duracell U.S.A. projections.

Chain drug buyers and merchandise managers surveyed by *Drug Store News* late last year named batteries one of the 10 hottest drug store categories of 1989, and projected that sales would boom ahead 17.6 percent in the nation's chain drug outlets this year.

The just-completed *Drug Store News* Triple-A Product Survey underscores the high marks buyers give the category, and gives credence to the aggressive promotional and cross-merchandising programs the chains have undertaken for batteries.

In unit sales, for instance, batteries accounted for seven of the top 15 individual SKU performances in the survey. They also grabbed four of the top 15 spots in terms of dollar sales by item.

All those spots went to the top two battery manufacturers, Eveready and Duracell. Eveready's AA Energizer four-pack ranked as the fifth-best sales performer by item among the top 150 general merchandise products, while Duracell's AA eight-pack took the No. 6 spot in dollar volume performance.

In a Vereen & Associates survey of battery advertising activity by some of the nation's top chains, those two brands garnered the lion's share of print advertising during the first half of the year, with Eveready the most heavily promoted. Kodak's relatively new battery line was third in the ad count, followed by Rayovac, GE's rechargeable and Panasonic's new line.

Buyers surveyed by *Drug Store News* in the late spring gave batteries high marks for margins—which many say can exceed 30 percent—vendor support, space efficiency and the level of chain-driven support they enjoy. That survey also indicated that many drug chains are continuing to add space and new locations in the stores for batteries.

Most frequently advertised batteries brands

(First six months 1989, total newspaper and circular ads from a 46-chain base = 979)

Brand	% of total batteries products advertised
1. Eveready	46.2%
2. Duracell	32.9
3. Kodak	13.8
4. G. E. rechargeable	3.5
5. Rayovac	2.8
6. Panasonic	0.8
Total of most frequently advertised brands	100.0

Source: Vereen & Associates.

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Most frequently advertised baby care brands

(First six months 1989, total newpaper and circular ads from a 46-chain base = 1,784)

Brand	% of total babycare products advertised
1. Huggies	13.7
2. J&J Products	12.5
3. Pampers	10.7
4. Luvs	7.3
5. Mennen	5.9
6. Diaperene	1.4
7. Desitin	1.3
8. Vaseline	1.1
9. Baby Fresh	1.0
10. Baby Magic	0.7
Total of most frequently advertised brands	55.6
Other brands (including private label)	44.4
Total	100.0

Source: Vereen & Associates

The second baby boom keeps delivering increased chain drug sales; '88 up 10.3%

The new baby boom is in full swing, as crowded playgrounds and newly reopened schools attest. Drug store retailers are riding the demographic bulge, beefing up both shelf space and promotional budgets for disposable diapers, wipes, bottles, lotions and other baby care necessities.

The extra effort goes hand-in-hand with the explosion in disposable diapers and other baby products in recent years, and it seems to be paying off. Drug chains enjoyed a 10.3-percent gain in sales of baby products last year, according to *Drug Store News*.

That was enough to boost drug store share of the baby care market in some significant categories. According to A. C. Nielsen, drug stores pushed their share of the disposable diaper business up 0.7 percent in 1988, to 10.3 percent of the total. Share of the baby oil category was up two full points last year, Nielsen reported, to 30.8 percent of the total.

The numbers are meaningful, because new mothers make loyal customers. Drug chains are locked in a struggle with supermarkets for the loyalty of this key class of shopper, and they're promoting baby products aggressively to win their business. Given the thousands of dollars new families eventually must spend on baby needs, the stakes are huge.

Much of the promotional and merchandising activity has centered on the key disposable diaper market, which has mushroomed into a multibillion-dollar retail juggernaut in the last decade.

Growing consumer demand and niche marketing has created a space-eating explosion of disposable brands in recent years, and many drug chains allocate 20 feet or more to the category. Diaper manufacturers have been quick to tap into various demand niches, leading to a constantly increasing number of SKUs and space allocation headaches for drug store merchandisers.

Among the newer entries have been gender-specific diapers from Luvs, Huggies with softer waistbands, and biodegradable diapers for the environmentally concerned.

Drug chains are competing with supermarkets in disposable diapers by offering as wide a selection as their shelf space allows, keeping prices competitive and promoting often. With their higher margins, private label diapers have become an important component.

The relative importance of disposables is clear, as shown by the Triple-A Product Survey. Three disposable diaper SKUs—including one entry from Pampers and two from Huggies—ranked among the top 15 H&BA products in terms of dollar volume in chain drug stores. Another baby care item, Q-tips, also scored high in both unit and dollar contribution.

The promotional efforts made by drug chains in the first half of the year certainly seem to make a difference. According to the Vereen Ad Tracking Service, Pampers and Huggies accounted for two of the three most heavily promoted baby-care brands in drug chains during the period.

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BEAUTY TRENDS

Hair care product segments show across-the-board sales strength, say chain drug buyers

Professional hair care products are still showing strong growth in many drug chains. Buyers say they are extremely profitable, draw traffic and create an "upscale image" for the department.

Several product segments are leading hair care growth this year at drug chains: styling aids, hair sprays, conditioners, coloring products and prestige-and value-priced shampoos and conditioners.

Chain buyers say styling aids and hair sprays are up 15 percent to 20 percent, while color is up 10 percent to 15 percent. Professional salon products are also climbing, although not as strongly as some buyers had anticipated. "Everybody has it now," said one buyer. "So many doors carry the professional lines that the growth couldn't remain as strong. Too much competition."

Hair care planograms are starting to be organized around price points in some chains. Professional brands often open the section, followed by prestige brands, moderate price bands and then low-end brands. More chains are considering merchandising hair care lines by brand family.

Buyers say that Redmond's Australian brands—TRESemmé, Infusium and Demert sprays—as well as Stiff Stuff are among professional's strongest sellers.

Mid-priced shampoos are being squeezed by consumers' apparent preference for budget lines such as White Rain and Aqua Net, or professional brands such as Aussie or Infusium, or prestige brands such as Salon Selectives, Vidal Sassoon, Jhirmack or Pantène.

Salon Selectives, nearly three years old, continues to sell well, with buyers noting that the brand's clarifying shampoo looks to be a winner.

This year's hottest new launch in hair may be the Rave line extensions from Chesebrough-Pond's. Most buyers interviewed said the four customized shampoo and conditioning formulas launched in the second quarter of 1989 are selling strongly.

The Rave line also imitates the Salon Selectives packaging. The products are color coded and numbered so consumers can easily choose the formula that addresses their specific hair care needs: a formula that adds shine to the hair, for example, or one that removes styling product build-up.

Epic Waves from Gillette is also doing well, buyers say, and some chains are reporting that the brand's successful launch is having some impact on the overall category's growth.

No one is saying the perm category is up significantly on sales. Indeed, some buyers say Epic Waves is growing at the expense of other brands, but a few chains say their overall perm sales are up about 2 percent to 4 percent over last year.

The new hair thickening shampoos are off to a relatively slow start in most chains. Revlon's new Nutrasome and Shulton's new Thrive are gaining trial, but aren't yet hot. Buyers feel it may take six months or a year for consumers to understand the positioning on these brands and for a loyal following to develop.

Folicure, the hair thickening line that has been on the market the longest, is showing growth at chains interviewed, and is one of the strongest brands in this category. Progaine is doing okay, but again, sales are slow and steady, not dramatic. Many chains merchandise hair thickening brands within hair care and men's grooming sections.

In styling aids, most buyers say Studio Line and Dep are their two strongest lines, particularly Pumping Curls, a Studio Line line extension.

Mousse sales are still flat, with alcohol-free formulas selling better than anything else. Spritzes may be flattening out, a few buyers tell us. Gels seem to be showing growth, though at a slower pace than last year.

In some chains, buyers are increasing the number of promotions they do on brand families: all Flex, all Dep, all Clairol or L'Oréal products advertised and displayed on an end at the same time. The sale is for the entire family of products as opposed to an individual item.

The idea of merchandising by family is now starting to spread to the on-shelf planogram.

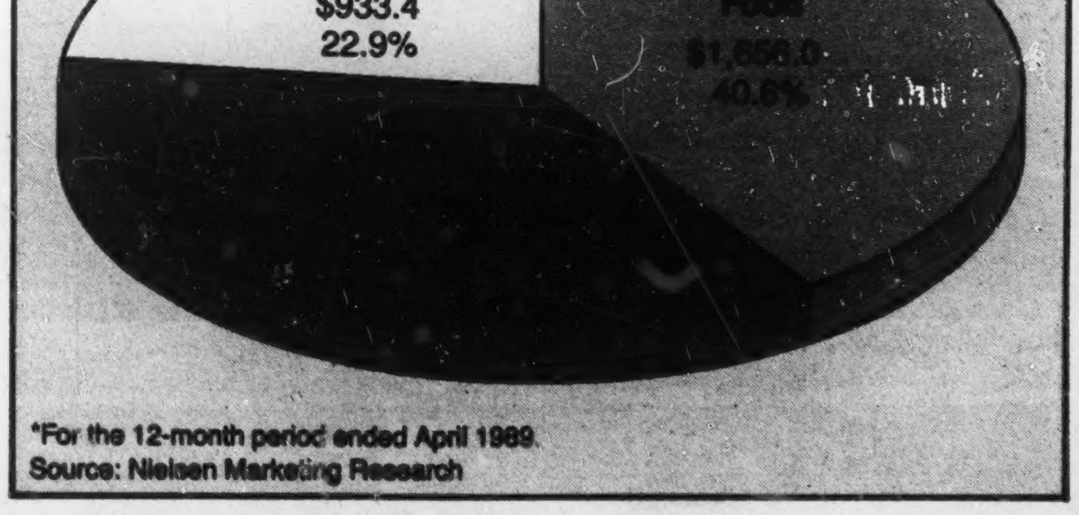
A source for Duane Reade, which has been merchandising hair care in family sets for more than a year now, says it's worked out very well for them.

Several of the buyers we talked to this year also told us they are going to try this approach. "I intend to merchandise the new Studio Line shampoo in with the Studio Line styling aids and I think it'll do well," said Mike Con-

Continued on page 70

Hair care 1989 sales by trade class*

(In millions of dollars, with market share)



*For the 12-month period ended April 1989

Source: Nielsen Marketing Research

Hair care 1989 market share in various retail segments

	Food	Drug	Mass
After shampoo	43.4%	35.7%	20.9%
Shampoo	50.4	28.0	21.6
Hair color	20.2	53.1	26.8
Fixatives	44.5	30.3	25.2
Ethnic	23.7	57.4	19.0
Men's hair preps	41.7	38.7	19.6
Perms/waves	20.3	48.4	31.4
Mousse	42.7	32.8	24.5
Total hair care	40.6	36.5	22.9

*For the 12 month period ended April 1989

Source: Nielsen Marketing Research

Hair care product sales*

(In millions of dollars)

	**1987 Sales	% chng	**1988 sales	% chng
After shampoo	$ 690.3	2.3%	$ 760.5	10.2%
Shampoo	1,286.8	2.5	1,363.1	5.9
Hair color	515.2	8.2	539.7	4.8
Fixatives	617.3	9.7	648.1	5.0
Ethnic	265.8	2.4	288.0	8.3
Men's hair preps	134.7	(3.3)	133.6	(0.8)
Perms/waves	130.7	(2.3)	131.2	0.3
Mousse	161.0	(12.8)	147.7	(8.3)
Total hair care	3,802.0	3.1	4,012.0	5.5

*All mass outlets: drug, food and mass merchandise stores
**For the full year ending in December

Source: Nielsen Marketing Research

Continued from page 69

ner, hair care buyer for Connecticut-based Arthur Drug.

The buyer for a leading discount chain said he'll also keep the Studio and Dep families together because he'll generate more add-on sales that way.

Although some buyers agreed that a family approach would probably create additional sales, they felt it might create operational headaches.

"What do you do when you get new products?", says one buyer. "Where do we put them? And what happens when you get a customer who likes to shop by category and may not know which manufacturer has a product in the category she's using?

"What if she's using a Studio Line gel now, but wants to price shop and switch to a lower-priced brand? It's going to be much harder for her to find other gels and then to do price comparisons.

"But my feeling is we are getting more incremental sales from the family approach, although I'm not sure how many may be true growth sales as opposed to [sales that are] just trading off."

Hair spray sales are surging again, with some buyers citing sprays as their strongest growth area in styling aids. Clairol's Final Net was often mentioned as one of the category's strongest brands, as were value lines Aqua Net, Style, White Rain and Breck. One buyer said he sees people buying four or five of these brands at a time.

In some sections of the country, hair color has become a very price competitive category, buyers report. One buyer said "Wal-Mart, K mart and Target were beating the hell out of color, selling all the top brands at or far below cost to build traffic."

However, the discount chains still carry a limited assortment of color products. Drug chain buyers said they were depending on their depth in their line to keep them competitive. "I have the full assortment," said one source, "and if a woman wants a choice, she'll come to my stores first."

In some chains, Preference, for the first time is outselling Clairol's Nice & Easy hair coloring. Other buyers tell us their growth for Clairol is still strong and it still has the "edge" in their stores, but that Preference seems to be growing at a stronger rate than before. Some attribute this to L'Oréal's advertising for Preference, which is starting to attract new users.

Earlier this year, Clairol launched a new temporary color line called Instant Beauty. Most buyers say it has done well, even in those chains that haven't promoted it. Now Clairol is rolling out a new men's color line called Option; the consensus is this will do well too, although it may take a while for sales to build.

Most buyers tell us that Just For Men is their strongest men's color line and that it is still showing strong growth. Several buyers say they like the Clairol delivery system on Option, with many chains planning to promote the line.

New hair care products

Product	Manufacturer	Quarter of launch	Description
The New Flex	Revlon	4th '89	New formulas, new image, new advertising. Also two new products: Ultra Style Shampoo and Ultra Style Conditioner for styling product users. TV and print ad support. SRPs: $2.39 to $2.59.
Head & Shoulders Dry Scalp Shampoo	Procter & Gamble	4th '89	Line extension, two formulas. Only shampoo positioned to treat dry scalp.
Form & Finish	Richardson-Vicks	4th '89	Hair spray in three formulas. Used on wet hair, it styles. On dry hair, it holds. $3.69.
Consort shampoo	Alberto-Culver	4th '89	Line extension: Two formulas— normal & thickening.
Studio Line Daily Express Shampoo	L'Oréal	3rd '89	First cleanser: A one lather formula that cleans and conditions hair especially for styling product users. $2.79 for 8 oz.
Bold Hold Shampoo & Conditioners	Alberto-Culver	3rd '89	Line extensions: two formulas to clean frequently styled hair.
Aqua Net Hair Spray	Fabergé	3rd '89	Line extensions: four new formulas.
Suave Hair Care	Helene Curtis	3rd '89	Restage supported by $17 million ad budget.
Expertisse	Wella	3rd '89	Eleven-SKU professional hair care line. Line includes three shampoos, three conditioners, two intensive conditioners and two styling aids. $3.5 million ad budget.
Ivory Free	Procter & Gamble	3rd '89	Line extensions: shampoo and conditioner.
Dep Everyday Shampoo & Conditioner	Dep Corp.	3rd '89	Dep's first cleaning products. Positioned to remove styling aid build-up.
Dep styling aids	Dep Corp.	3rd '89	New packaging.
L'Oréal Free Hold	L'Oréal	3rd '89	Repackaged with a new unique applicator: a high performance diffuser that spreads mousse evenly without stiffness or stickiness. Also two new formulas: Extra Volume and Ultimate Hold.
Flex Fortifyl Complex	Revlon	3rd '89	Leave-in conditioner for problem hair. Two formulas: dry hair and limp hair. Print and coupon support.
Max Factor Thick Again	Max Factor	3rd '89	Hair thickener and styler. 8-oz. liquid gel will retail for $6.
Clear & Clear Extra Moisturizing Shampoo & Conditioner	Revlon	3rd '89	Line extensions for damaged hair.
Ginza	Conair	3rd '89	First Oriental hair care line. Positioned as a high volume "salon line": five cleaning, conditioning and styling SKUs for all hair types.
Free Style	DowBrands	3rd '89	Four-SKU styling aid line aimed at teens.
Jheri Redding Awapuhi (ginger root) shampoo and conditioner	Conair	3rd '89	Line extensions, $3.99 SRP.
The Professionals	Amitée	3rd '89	New five-SKU line of hair treatments. Goupe Out removes styling build up; Goupe Therapy conditions; Hair Epoxy gel gives an ultra- stiff set; Thick Fixx is mending gel; and Hair Lifter is a penetrating volumizer.
Jheri Redding Salon Tropics Kiwi shampoo and conditioner	Conair	2nd '89	Line extensions, $3.99 SRP.
Glacial Fresh	Alaska Glacier Products	2nd '89	Five-SKU hair/skin product line made with pure Alaskan water. Forumulas also contain botanicals for cleaning and conditioning.
Option	Clairol	2nd '89	National rollout of men's hair color line. Two formulas: instant and gradual.
Rave Professional Formula Shampoos and Conditioners	Chesebrough-Ponds	2nd '89	Four customized formulas developed to treat specific shampoo and conditioning problems. Coded by colors and the numbers one through four. Eight SKUs total. $18 million ad support.
Aqua Net Extra Super Hold Unscented Super Hold Pro-Spritz	Fabergé	2nd '89	Line extensions.
Infusium 23 Permed/Color Treated Pro-Vitamin Shampoo Hair Treatment Spray Pumps	Duart	2nd '89	Line extension.
Salon Selectives Clarifying Cleansing Treatment, Deep Moisturizing Treatment, Hot Oil Treatment, Leave-In Conditioning Treatment	Helene Curtis	2nd '89	Line extensions.
Suave Daily Clarifying shampoo & conditioner	Helene Curtis	2nd '89	Major restage, line extensions.
Sleepy Hollow Botanicals	Carme, Inc.	2nd '89	New skin/hair care line. Has no animal by-products and was never tested on animals. First mass line positioned as being "cruelty-free." Seven SKUs.
Stiff Stuff Super Volumizing Mousse	Modern Research	2nd '89	Line extension.

Source: *Drug Store News survey*

Drug chains eye new skin care strategies

Buyers say their best skin care sets are big enough to feature a broad assortment of product. That type of presentation, they say, gives consumers a wide variety of choices and options.

The fast-growing skin care category is in for some merchandising strategy changes, chain sources told *Drug Store News*.

Many major chains are looking to create a skin care center in their stores. Many are also experimenting with cross merchandising of Eterna and Almay franchised lines, along with Plenitude, Olay and Neutrogena in cosmetics as well as H&BAs.

Osco, Walgreens, Peoples, Perry and Eckerd Drug are among chains that are now testing or developing a variation of a skin care center. Duane Reade in New York City has already developed such a set, and is rolling it out to 12 stores with cosmeticians.

Many buyers say they think it makes sense to cross merchandise upscale lines like Eterna, European Collagen, Almay, and L'Oréal's new Plenitude in mass because that's where women traditionally think to buy skin care items.

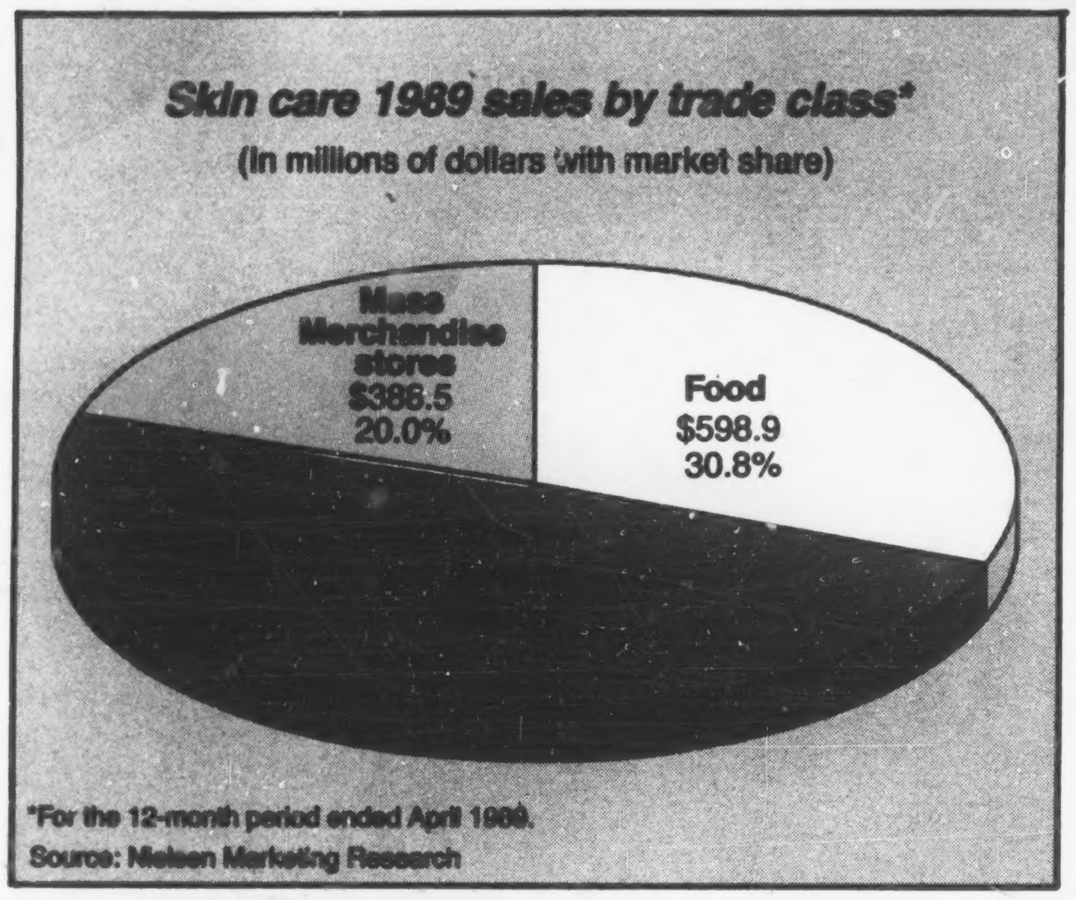
"Women go to the skin care aisles to get a skin care product," said one buyer. "They don't necessarily go to cosmetics to buy skin items, so we think we can improve turns on the higher-priced lines by giv-

Continued on page 74

New skin care products

Product	Manufacturer	Quarter of launch	Description
Yardley Soaps	Yardley of London, Inc.	4th '89	Introducing the first line of imported Yardley soaps as a Christmas gift collection. Three scents available in gift boxes, decorative tins and a variety of baskets.
Eterna "27" Intensified Skin Recharger	Revlon	4th '89	"Micro-activated" foam that "recharges" the skin by firming, lifting and tightening. SPF 15.
Nature Works Natural Soaps	Wella	4th '89	Formulated with palm and coconut oils & other natural ingredients. Leaves no film, deep cleansing and soothing to skin.
Dickinson's Transparent Cleansing Bar	E.E. Dickinson	4th '89	Glycerine soap with witch hazel and aloe. $1.59.
Sayman facial soaps	E.E. Dickinson	4th '89	Repackaged. Four formulas $1.39 to $1.49.
Softsoap Moisturizing Liquid Soap	Colgate Palmolive	3rd '89	Anti-bacterial formula plus four moisturizers. Competes with Dial Liquid Anti-Bacterial soap.
Softsoap Shower Gels	Colgate Palmolive	3rd '89	Line extensions: Two formulas— Deodorant & Moisturizing. $1.79 for 8 ozs.
Suave Hand & Nail Lotion	Helene Curtis	3rd '89	Formula contains keratin, aloe and Vitamin E. SRP$1.49.
Lanolin Plus All Over Body lotion; Ultimate Hand Creme; Eye Contour Formula; 24 Hour Moisturizing Face Cream	Hazel Bishop	3rd '89	Four skus.
Max Factor Skin Care Regimens: Moisture Equalizing, Moisture Rich, Ultra Rich	Max Factor	3rd '89	Relaunch & Reformulated. 11 skus SRF $5 to $8. Color coded for combination skin; normal/dry; very dry
MoistureWear	Noxell	3rd '89	Eye concealer with ultra-rich moisturizers.
Coty Emergency Facial Shower Off	Coty	3rd '89	For use in shower.
Korff Anti-Age Retard For Skin Ages 45 and Over; Anti-Age Retard Color Creme	Korff Inc.	3rd '89	Line extension: Color Creme contains Retinol. Six shades at $28.00. The Retard includes six treatment products. SRPs range from $29 to $90.
Resource Ultra-Sensitive Skin Care	dermEssence, Inc.	3rd '89	Seven-SKU line gentle enough for Retin-A patients. Cleans, moisturizes and protects. Developed by a dermatologist. SRPs: $5.95 to $22.50.
Korff Extra Pure With Microcaps Retinol Treatment Makeup	Korff USA	2nd '89	Treatment line combines color with Retinol treatment. Fashion image. Moderate prices.
Physicians Formula Vital Defense Moisturizers: Vital Defense Oil Free Lotion, Vital Defense Moisture Lotion, Vital Defense Moisture Concentrate	Physicians Formula (Tambrands)	2nd '89	Three-SKU line with SPF 15.
Physicians Formula Gentle Refreshing Toner Vital Lash Make-up Remover	Physicans Formula (Tambrands)	2nd '89	Line extensions.
Clean & Clear MoistureFirm Facial Cleansing Liquid	Revlon	2nd '89	Major relaunch with new packaging and two new products, including the first dual-action facial treatment that moisturizers as it firms. Also a no-soap cleanser.
Plenitude	Cosmair's L'Oréal Division	2nd '89	New 14-SKU skin care line. $15 million in ad support for fourth quarter '89, plus $20 million in 1990.
Eclipse Fade Fast	Eclipse Labs	2nd '89	New skin lightener with SPF 18.
Sleepy Hollow Botanicals	Carme, Inc.	2nd '89	New skin-hair care line. Has no animal byproducts and was never tested on animals. First mass line positioned as "cruelty-free." Seven SKUs.
Flower Girl Face 'n Body Mist	Riviera Int.	2nd '89	Eight scents imported from France. Can be used as light cologne, body lotion or facial spray.
Aquaderm	Baker Cummins Pharmaceuticals	2nd '89	New line of moisturizers that maintain and restore water to the skin. Three SKUs.
Aloe E Cocoa Butter	Alivio Products	2nd '89	Cream and lotion formulated for sensitive skin market.
Neutrogena Alcohol Free Antiseptic Cleanser	Neutrogena	2nd '89	Line extension.
Anti-Aging Firmagel	Revlon	2nd '89	Breakthrough formula tones, smooths and hydrates skin. SRP: $15.
Cabot's Clear Perfection Color Corrective Cosmetics	West Cabot	2nd '89	Cover up for skin imperfections. Eight shades.

Source: *Drug Store News* survey



Skin care 1989 sales by trade class*

(In millions of dollars with market share)

*For the 12-month period ended April 1989.

Source: Nielsen Marketing Research

Drug chains eye new skin care strategies

Continued from page 72

ing them this additional exposure."

Almost all major drug chains today also merchandise mass skin care lines by brand family, and some will even cross merchandise Neutrogena hair products in skin and vice versa if they have the space.

"It makes sense to merchandise by family," says Harco's skin care buyer Charles Monk. "We half-way do that in hair care too. We put all our shampoos and conditioners together by family because we've found that people like to buy hair and skin care products within the same family."

A buyer for one major deep discount chain said his stores will devote four to eight feet to Neutrogena in the hair planogram, plus another four feet in skin. The sales, he says, justify the space. "They advertise the line as a family," said this buyer, " and since their advertising has been so effective, we felt it made sense to merchandise it in both sets."

Many buyers also say they think the same type of strong family presentation will also make the Plenitude line stand out once it's incorporated into the mass skin care planograms. They feel it is so attractively packaged that its presence on the shelf "makes the overall skin care section look better." One buyer also said he likes the plastic unit shelf organizers that L'Oréal is shipping with the line.

He says the color-coded unit makes it easier for customers to shop the line. The blue code, for example, identifies all cleansing products, while pink highlights all moisturizing and special care products.

One buyer said he feels that when the products are displayed in this display unit, sales will be "tremendous" because the units have a facing which clearly explains what each product does.

Some chains are also merchandising skin care by price points just as in hair care.

One buyer said his new set puts all the higher priced lines first, then the mid-priced lines, the lower priced lines, and then products for problem skin such as acne.

New launch support adds fire to skin care—see page 76.

At Arthur Drug, a nine-unit chain headquartered in Hartford, Conn., management is testing what they call a "triple set" planogram for skin care. The set opens on the left with a 4-foot section for acne products, is followed by 8 feet for moisturizers, cold creams and hand and body lotions, and closes with a 4-foot year-round sun set on the top two shelves and a bath, shower, depilatory set on the bottom two shelves.

At press time, Arthur's skin care buyer Mike Conner said it was still too soon to tell if sales were up significantly in the test store, but he said he felt the new set would have to help sales because it was a much more organized approach to merchandising skin care.

He said he would like to have included the franchised lines like Eterna and Almay in the set, but he couldn't for lack of space.

More chains are also placing the bath and shower set much closer to skin care, and are also creating permanent year-round sun care sets adjacent to skin.

Many are also segregating ethical skin care lines like Lubriderm, Keri and Eucerin, away from mass lines such as Jergens and Vaseline Intensive Care. "We think it makes sense to do this," said one buyer, "because we think they are different customers."

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New sun care products

Product	Manufacturer	Quarter of launch	Description
Sun Spots	Sun du Jour	2nd '89	Line of adhesive-backed spot patches that change color to warn sunscreen users when their protection has worn off.
Cabot's Vitamin E Lip Visor	West Cabot	2nd '89	Tri-color band lip protector. SPF 20 plus Vitamins E and A.
Sun-Shy Towelette	WDM Brands	2nd '89	SPF 15. Adult and child formulas.
Sea & Ski	Fabergé	2nd '89	Line extensions. Major new ad campaign breaks.
Tan in a Can	Cosmetic Concepts	2nd '89	Eight-SKU line with aloe and tea tree oil, a natural plant extract used to treat skin irritations and sunburns.

Source: *Drug Store News* survey

Sun care products warm up chains' sales—at least when the sun's out

Sun care's peak selling season was winding down at press time, with buyers in most parts of the country estimating that category sales grew from 7 percent to 15 percent in their regions.

The Northeast was hard hit, though, by heavy rains during July which continued through August. Many East Coast buyers said sales started out strong and that tan accelerators sold particularly well at the start of the season before the rains fell.

Coppertone as a line has been very strong, with many buyers calling it their best line.

Hawaiian Tropic won raves at one Northeastern chain, which credited the brand's improved performance in part to a new distributor whose service was "excellent." Several sources also said Hawaiian Tropic's new Sunsensitive sun care products with moisturizers did well.

The new Vaseline Intensive sun care line has been the best new product launch of this year, most buyers say.

All the better known high sun protection lines seem to have done well, although some buyers anticipate a slowdown in high SPF sales. Many buyers said their best-selling high SPF was No. 15. "Consumers aren't going for the 25s, the 35s and the 40-plus SPFs," said one source. "People are looking to get at least a little tan, and we're actually seeing our tanning items selling better than our protection items."

Sources for West Coast chains, however, reported that they were, for the most part, still seeing more growth from protection lines than tanning lines.

At American Drug in Anaheim, Elaine Sartini, director of cosmetic marketing, said that West Coast consumers were more inclined to protect their bodies from the sun partly because they are exposed to it all year long.

"On the East Coast," she said, "people only get to enjoy the sun for a few months out of the year so it's understandable they'd be more eager to get a tan."

Among the smaller regional lines, most chain buyers who stock the Banana Boat line say that did very well this year.

Among the new sun care launches this year, Vaseline Intensive Care, Hawaiian Tropic's Sun Sensitive and to a lesser degree, Protecteur Gentil had the strongest sales.

Drug chains are focused on strongest new skin care brands

Among the newer skin care products this year, Plenitude seems off to a strong start in many drug chains. And Noxell's Clarion cosmetic skin care line, launched earlier this year, is continuing to do well.

Most buyers say that while they haven't had enough time to evaluate Plenitude's performance in line as part of the general skin care set, L'Oréal's introductory pre-packs for Plenitude, including the promotional trial size $2 prepack, "blew through" their stores.

The trial size pre-packs featured sampler sizes of the cleansing cream, the regular moisturizer and the skin firming-toning serum. Almost every chain that took the prepacks merchandised them in cosmetics.

Elaine Sartini, director of cosmetic marketing for American Drug Stores, says the Plenitude sampler pre-packs "flew" out of her stores. She also said consumers who bought the sampler have been coming back asking for more.

The Plenitude story, however, is an unusual one. The initial launch looks very promising, but sales are all coming from pre-packs primarily located in cosmetic departments. Plenitude will face its harshest test this fall when most chains will have finished working it into their mass skin care planogram.

Buyers say they are "heartened" by initial consumer acceptance of the line and hope it will translate into high volume repurchases once Plenitude goes in line and its introductory $15 million ad campaign breaks.

In its initial test stages, sources say Plenitude did very well in the in-line mass skin care section, but some cosmetic buyers still wonder whether it wouldn't do better or at least just as well merchandised with the L'Oréal color line in cosmetics.

The skin care buyer for an East Coast chain, with most of its stores in poorer neighborhoods, wondered whether lower income consumers would respond to the line, or whether they'd rather stick with more basic individual items like Olay or Lubriderm.

All buyers interviewed felt that more than ever this year, the success of brands depended on how well manufacturers educated clerks and consumers on their benefits.

At American Drug, Sartini had arranged for L'Oréal to supply all her stores with a 20-minute training tape on Plenitude, and she was planning a fall promotion on Plenitude that would permit high volume Osco and Sav-on stores to use professional models, hired by L'Oréal, to demonstrate how Plenitude should be used. Two demos would each last about four hours on high traffic days, probably on weekends.

In New York, Austin Drug was planning a similar demonstration with models who would be in the store showing consumers how to use the regimen in late August.

Many skin care buyers also

Continued on page 78

Skin care product sales*

(In millions of dollars)

	**1987 Sales	% chng	**1988 sales	% chng
Bath products	$ 199.5	10.8%	$ 222.8	11.7%
Depilatories	47.8	7.1	50.3	5.2
Face lotions/creams	452.3	3.3	518.6	14.7
Hand-body lotions	482.7	10.7	539.6	11.8
Chapped lip preps	69.8	6.9	71.2	2.0
Sun tan lotion-oils	300.4	12.2	348.7	16.1
Baby lotions	37.5	10.1	42.3	12.6
Baby oils	75.5	13.8	84.2	11.6
Total skin care	1,666.0	8.7	1,878.0	12.7

*All mass outlets: drug, food and mass merchandise stores
**For the full year ended in December

Source: Nielsen Marketing Research

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Drug chains are focused on strongest new skin care brands

Continued from page 76

said they hoped to see more higher-end lines like Plenitude. One said he felt that higher end lines in skin care could boost dollar sales and profits just as the higher-end prestige and professional hair care brands did several years ago in that department.

Revlon is also beefing up its presence in the mass skin care category. They, however, have a marketing strategy that is nearly the opposite of L'Oréal's.

They have repackaged and relaunched the Clean & Clear mass line and added two new items positioned to compete against two category leaders: Olay, the No. 1 facial skin care moisturizer, and Neutrogena, the No. 1 liquid facial cleanser. Both are lower in price than their competition.

It's still early

The new package and the two new items, MoistureFirm Gel and Facial Cleansing Liquid, were just getting into most stores at press time and no ads had broken yet so it was hard to judge how they were doing. Revlon says it will spend $5 million on TV and print to support the launch from now through mid-November, and should spend $8 million to $10 million over the first 12 months overall.

Revlon also has a seven-minute training aid video available that explains the benefits of both MoistureFirm and the entire line.

Many buyers told us that tinted moisturizers and moisturizers with sun protection factors were doing well in their stores, especially the Neutrogena SPF tinted moisturizers.

"No one wants to wake up in the morning looking like their own mother," said one buyer, "and moisturizers with sun protection promise to help women avoid this fate."

Del's Rejuvia was also just hitting many stores at press time. Most buyers said it was too early to tell, but most said they thought it could do well. "Nice packaging," said one source. "And that will help it."

In facial lotions, many buyers said they were selling much more unscented product than they had in years past, and oil- and alcohol-free products were also doing well.

In bath, Calgon was often named as the best-selling brand, followed usually by Vaseline Intensive Care. Many chains that have the higher priced Vitabath line report that sales are quite good.

And Yardley soaps are doing very well, buyers say, even in chains whose overall bath product sales are slow.

Glycerine soaps sales glisten

Glycerine soaps, especially by Neutrogena, are selling well, buyers said. In New York, Duane Reade has just accepted a "knock-off" of the Neutrogena glycerine soap. The knock off, made by E. E. Dickinson, which also makes Witch Hazel, will be priced about $1 less than the Neutrogena soaps, and management thinks it should do very well in their stores. The source said having it in the store was a little like having a private label line because it gave Duane Reade another opportunity to give its shoppers price alternatives, but without resorting to a private label.

Many chains have expanded their bath sets and moved them closer to skin care or in some cases, cosmetics.

Skin care 1989* market share in various retail segments

	Food	Drug	Mass
Bath products	30.8%	48.3%	20.9%
Depilatories	25.4	58.2	16.4
Facial lotions-creams	24.2	57.1	18.7
Hand-body lotions	37.1	42.9	20.0
Chapped lip preps	36.4	44.7	18.9
Sun tan lotion-oils	26.9	53.9	19.2
Baby lotions	40.5	28.5	31.0
Baby oils	43.1	29.9	27.1
Total skin care	11.3	12.6	n.a.

*For the 12-month period ended April 1989.

Source: Nielsen Marketing Research

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Sunglass treatments for '90s include toned-down neons

Fluorescent yellows, greens, pinks and oranges that were the colors in sunglasses last year will be toned down and tailored for the 1990s, mass market sunglass manufacturers told *Drug Store News*. And, the color change is welcomed by chain drug stores, whose buyers this year reported neon shades and rubber frames as the hottest styles this summer.

Phil Kahn, vice president of Sunglass Products, said, said, "Opaque neon this year followed the trend of sports clothing with neon accents. Next year, crystallized, softer neons will take center stage."

The variation in neon buyers will see next year include Bonneau's Shockwaves line that boasts a "rear view mirror" aspect. Alice Meyer, product manager, said, "Two small mirrors are attached to the sides of the glasses so the wearer can actually see behind him," she said. Marc Orlinsky, senior-vp of VSI International, makers of Visual Scene, said, "rubber frames are here to stay through next year. They are very comfortable, You can sit on them, drop them, even leave them on the dashboard of your car, and they won't lose their shape."

Opti-Ray's vp-sales, Rich Allen, agreed and said rubber frames will need a slight variation next year to continue their popularity. Lectro Lites is their new line which combines neon lens clip-overs over solid colored sunglasses. Gordon Hallerman, Cool Ray's director of sales, predicted "second- and third-generation neons—toned down and bright colors" as next year's drug store winners, and its Fiesta line for 1990 typifies this trend towards toned-down neons.

At Bartell in Washington, Snyder's Drug Stores in Minnesota and Kinney in upstate N.Y., buyers reported strong sales for the neon brights this year. And, a buyer for a Southern chain said that even though he sold many pairs of this style this year, he wondered whether they were just a fad. Mirrored lenses and classic styles were the true leaders at this chain. "Sales are holding their own here," he said, "with our reorders remaining at the same level this year as they were last year." He attributed this to cloudy weather the South experienced this year.

Cleveland also hasn't seen much sun this summer, said Ken Fossaceca, marketing coordinator for the 21-store Medic Discount Drugs. Sales for sunglasses were flat here as well. And surprisingly, the rubber-framed glasses did "marginally well," he said, "but really didn't set the world on fire here." With Medic's older target audience, the clip-on styles by Foster Grant are a perennial favorite style.

Gerland's Food Fair, a 20-store food and drug chain in Houston, saw a jump in sales over last year. Curtis Hartin, director of nonfoods merchandising, explained that this year the company changed its pricing strategy. Last year, all sunglasses were priced at $5.99. This year, Hartin said, "we decided price wasn't a big factor guiding consumer purchases," and brought in a broader assortment at retail price points ranging from $4.99 to $17.99.

Most chains sell sunglasses year round, and usually merchandise the racks up front near the high-traffic checkout area and in the pharmacy. Peoples in Alexandria, Va., utilizes these two areas, said merchandiser Irv Trionfo. Between the months of May and September, two racks are merchandised at the front of the stores, he said, to correspond with monthly promotions on ad. After September, the racks are moved to the back of the store near the pharmacy.

Medic Discount Drugs takes a different approach and places the racks in the promotional aisle year round.

Foster Grant is introducing a new line in November especially for drug stores. Dan Rocha, design manager, said its Foreign Affairs line of handmade frames and imports from Italy are positioned for the more affluent customer. "They are specifically designed to be placed on counters in the cosmetics departments of drug chains," Rocha said. SRPs range from $36 to $40.

Other 1990s styles buyers will have to choose from include the Dwayne Wayne look, made popular by the character in NBC's Cosby spin-off *A Different World*. Called "Dwayne's" by industry executives, they feature clear lenses with flip-up/flip-down dark lenses.

New voluntary labeling system for nonprescription sunglasses

Label	Level of protection	Recommended uses
Cosmetic sunglasses	Blocks at least 70% of UVB and 20% of UVA radiation	Non-harsh sunlight activities (shopping; other around town uses)
General purpose sunglasses	Block from 60-92% of visible light; block at least 95% of UVB and at least 60% of UVA	Most uses in a sunny environment (boating, driving, flying or hiking)
Special purpose sunglasses	Block at least 97% of visible light; at least 99% of UVB rays and 60% of UVA	Activities in very bright environments (ski slopes, tropical beaches)

This voluntary labeling system, initiated by the Food and Drug Administration and the Sunglass Association of America, provides guidelines manufacturers can choose to adhere to when specifying how much UVA and UVB protection their sunglasses have. Those manufacturers who spoke with Drug Store News *have all phased this standardized labeling system into their product mixes this year.*

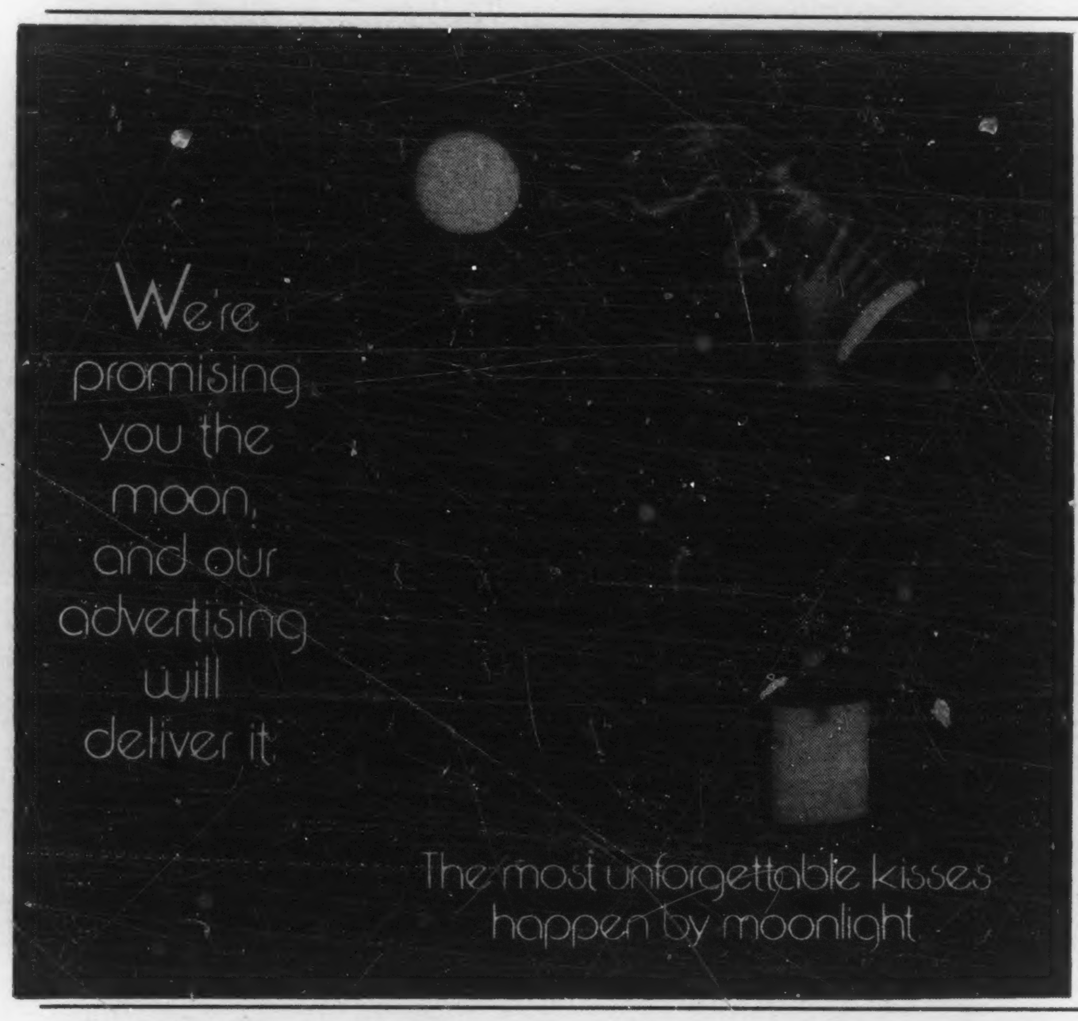
Some manufacturers have taken a second step to further educate the consumer on the amount of protection they're getting from their purchase. Bonneau, for instance, uses a "UV BUSTER" tag on each pair it sells, and VSI Intl., maker of Visual Scene, added an Eye Protection Factor (EPF) label, a number that shows the percentage of UVA and UVB light each pair absorbs.

Chain drug buyers told Drug Store News *they were generally satisfied with these standardized guidelines. One buyer said his stores shy away from selling sunglasses that offer relatively little protection.*

U.S. sunglass sales bright

	1984	1986	1988
Pairs sold (in millions)	145	175	180
Retail $ (in billions)	$1.02	$1.20	$1.35

Source: Sunglass Association of America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FINANCIAL

Profit controls begin to take hold at FoxMeyer

DALLAS — The loss of the $300 million Wal-Mart pharmacy contract might be a blessing in disguise for FoxMeyer.

Though it swallowed a bitter pill (and lost 14 percent of revenue) when McKesson gained the giant discounter's drug business, the nation's third largest wholesaler is striving to control costs after years of sales building.

And the Wal-Mart business, as FoxMeyer president and ceo Bob King argued, failed to meet its profit goals.

Meanwhile, evidence that costs are being controlled came in the first quarter ended June 30. FoxMeyer Corp., including the Ben Franklin Wholesale Co., posted operating income of $3.3 million on sales of $718.2 million (in comparison, operating income was $2.2 million in last year's first quarter on $587.3 million sales).

FoxMeyer Drug provided operating profit of $7.2 million, but it was offset by a $2.5-million loss at Ben Franklin plus a $1.4-million loss from amortized good will, according to a spokesman at parent National Intergroup.

Hurt by high operating costs, and a variety of charges against earnings from an extensive restructure, FoxMeyer in fiscal year 1989 had recorded a $27.7 million operating loss.

"It's a sign of a slowly emerging recovery. [But] it's still very much a 'show me' situation," said Aldo Mazzaferro, an analyst with C. J. Lawrence.

The Wal-Mart loss, Mazzaferro agreed, "may actually help their margins in the future. It's a prestige customer, but it hurt their earnings."

He estimates FoxMeyer earned about .5 percent operating margin on the $150 million of inventory it delivered warehouse–to–Wal-Mart store. The dock-to-dock business was virtually without profit.

Aiming long-term for a 2.5-percent operating margin, FoxMeyer posted about a 1-percent margin in the first quarter and has a goal of 1½ percent by fiscal year's end, according to an NI spokesman.

At the annual meeting last month, NI executives said the first quarter's enhanced results stemmed from reforms, including a new computer-based inventory management system that is almost fully implemented. It allowed drug company first-quarter inventory to run $37 million under budget while sales were up 15 percent.

Also, FoxMeyer recently completed an extensive evaluation of each distribution center's customers and products. It created models showing the profit return of each customer and product to identify the least profitable and make adjustments region by region for better return on sales.

The Oklahoma City model was tested first and all DCs will be using their own models by December.

FoxMeyer also is cutting overhead by dropping 100 jobs, looking for more quantity discounts in buying, and computerizing order entry.

SDM parent notes 6-mos. 18% net hike

TORONTO — Imasco Ltd., parent company of Shoppers Drug Mart and Peoples Drug Stores, posted net earnings of $144.4 million for the six months, an increase of 18 percent over last year.

Six-months systemwide sales of consumer products and services in the company's tobacco, restaurant, drug store, retail and financial services businesses were up 5 percent, to $6.9 billion. Revenues were down 9 percent, to $2.6 billion. (Sales revenues are no longer being recorded for Grisanti's restaurants and the 325 Peoples stores sold under the reorganization plan, Imasco said.)

Med Shoppe net up for 3rd qtr.

ST. LOUIS, Mo. — Medicine Shoppe's net earnings for the third quarter and nine months ended June 30 rose 23 percent and 26 percent, respectively.

Third-quarter net was $1.9 million, compared with $1.6 million for the year-ago period. For the nine months, net earnings were $5.3 million, up from $4.2 million.

Total retail sales reported by franchised pharmacies rose 16.9 percent for the third quarter, to $111.2 million from $95.1 million. For the nine months, total retail sales were up 16.4 percent.

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MARKET DIARY:

Largest Dollar Gainer	Squibb Corp.	$ 4.25
Largest Dollar Loser	Warner-Lambert	$ − 4.75
Largest Percentage Gainer	Mylan Labs	37.18%
Largest Percentage Loser	Dart Drug Stores	−18.75%

Advances	33
Declines	22
Unchanged	5
New highs	13
New lows	1

	Close 8/15/89	Close 8/29/89	Net Change	Percent Change
Drug Store News Index	2902.84	2920.72	17.88	0.62
Dow Jones Industrial Average	2687.78	2726.63	38.85	1.45
Standard & Poor's 500-Stock Index	344.71	349.84	5.13	1.49
N.Y.S.E. Composite	192.08	194.47	2.39	1.24
Value Line Index	275.20	276.60	1.40	0.51

Source: Nordby International Inc., Boulder, Colo.

DRUG STORE NEWS INDEX

Exch	Company	Ticker Symbol	Closing Price 8/15/89	Closing Price 8/29/89	Net Change In Period	Percent Change In Period	P/E Ratio	Annual Dividend Rate	Annual Dividend Yield	Annual High	Annual Low
Chain store transactions											
OTC	Arbor Drugs	ARBR	21.25	22.75	1.50	7.06	28	0.16	0.70	24.75	8.00
OTC	Big B	BIGB	13.25	13.88	0.63	4.72	15	0.16	1.15	14.25	10.63
OTC	Dart Drug Stores	DDRGC	0.50	0.41	−0.09	−18.75	d	0.00	0.00	2.50	0.38
OTC	Drug Emporium	DEMP	12.88	12.75	−0.13	− 0.97	19	0.05	0.39	16.25	6.25
NYS	Fay's Inc.	FAY	14.25	13.00	−1.25	− 8.77	19	0.20	1.54	15.00	7.25
ASE	Genovese Drug	GDX.A	11.25	11.25	0.00	0.00	14	0.24	2.13	12.88	8.75
OTC	Leroy Pharmacies	LERYW	5.25	5.13	−0.13	− 2.38	d	0.00	0.00	5.50	4.38
NYS	Longs Drug Stores	LDG	42.38	42.25	−0.13	− 0.29	15	0.96	2.27	43.88	33.63
OTC	Medicine Shoppe	MSII	29.75	30.00	0.25	0.84	23	0.10	0.33	31.75	20.25
NYS	Perry Drug	PDS	11.50	11.63	0.13	1.09	d	0.00	0.00	13.50	5.25
NYS	Rite Aid Corp. (H)	RAD	39.50	39.63	0.13	0.32	17	0.82	2.07	40.75	29.13
NYS	Walgreen Co.	WAG	47.13	46.50	−0.63	− 1.33	19	0.68	1.46	50.25	27.63
Wholesaler's transactions											
OTC	Alco Health Services	AAHS	27.00	27.00	0.00	0.00	20	0.00	0.00	30.38	22.50
ASE	Bergen Brunswig (H)	BBC.A	32.00	33.25	1.25	3.91	15	0.40	1.20	33.75	19.00
OTC	Bindley Western Ind.	BIND	8.63	8.63	0.00	0.00	16	0.00	0.00	9.50	6.63
OTC	Cardinal Distribution	CDIC	25.00	24.50	−0.50	− 2.00	15	0.08	0.33	26.00	15.75
OTC	Durr-Fillauer	DUFM	20.63	19.25	−1.38	− 6.67	19	0.24	1.25	23.25	13.38
ASE	Ketchum (L)	KCH	5.25	4.50	−0.75	−14.29	d	0.00	0.00	8.38	4.38
NYS	McKesson Corp. (H)	MCK	37.13	37.50	0.38	1.01	16	1.44	3.84	38.63	29.63
ASE	Moore Medical	MMD	13.75	13.75	0.00	0.00	d	0.00	0.00	15.63	9.00
NYS	Owens & Minor	OMI	12.63	12.25	−0.38	− 2.97	19	0.26	2.12	15.88	11.38
Manufacturer's transactions											
NYS	Abbott Labs	ABT	62.00	63.38	1.38	2.22	18	1.40	2.21	66.00	44.13
NYS	American Home Products	AHP	98.88	99.88	1.00	1.01	15	3.90	3.90	103.00	76.38
NYS	Baxter International	BAX	23.50	23.38	−0.13	− 0.53	17	0.56	2.40	24.38	16.25
OTC	Block Drugs Co.	BLOCA	35.25	35.38	0.13	0.35	14	0.64	1.81	36.00	28.50
ASE	Bolar Pharmaceutical	BLR	23.50	19.50	−4.00	−17.02	12	0.04	0.21	32.25	16.75
NYS	Bristol-Myers	BMY	47.75	49.38	1.63	3.40	16	2.00	4.05	52.13	41.13
NYS	Carter-Wallace	CAR	51.75	51.13	−0.63	− 1.21	17	0.82	1.60	53.25	37.00
ASE	Forest Labs (H)	FRX	35.88	36.00	0.13	0.35	30	0.00	0.00	37.88	20.25
ASE	Halsey Drug	HDG	5.88	5.56	−0.31	− 5.32	19	0.00	0.00	7.38	1.94
NYS	ICN Pharmaceutical	ICN	6.13	6.00	−0.13	− 2.04	67	0.00	0.00	7.38	5.63
ASE	Lee Pharmaceutical	LPH	3.38	3.13	−0.25	− 7.41	d	0.00	0.00	5.50	3.00
ASE	Leiner P. Nutrition	PLI	17.88	19.50	1.63	9.09	16	0.00	0.00	21.38	9.25
NYS	Lilly Eli Co.	LLY	61.25	62.13	0.88	1.43	21	1.35	2.17	64.25	40.88
NYS	Marion Labs	MKC	36.00	34.50	−1.50	− 4.17	24	0.36	1.04	36.50	16.38
NYS	Merck Co.	MRK	75.75	74.13	−1.63	− 2.15	22	1.80	2.43	77.88	53.50
NYS	Mylan Labs (H)	MYL	9.75	13.38	3.63	37.18	31	0.10	0.75	14.88	7.50
OTC	Newport Pharmaceutical	NWPH	3.88	4.00	0.13	3.23	d	0.00	0.00	6.63	1.75
NYS	Par Pharmaceutical	PRX	5.50	5.75	0.25	4.55	10	0.04	0.70	13.00	3.88
NYS	Pfizer Inc. (H)	PFE	65.13	67.38	2.25	3.45	15	2.20	3.27	69.75	50.00
NYS	Robins, A.H.	RAH	32.25	32.25	0.00	0.00	14	0.00	0.00	33.50	21.88
NYS	Rorer Group	ROR	44.13	45.00	0.88	1.98	22	0.80	1.78	48.25	34.75
OTC	Scherer RP Corp.	SCHC	14.75	15.50	0.75	5.08	20	0.40	2.58	33.38	12.00
NYS	Schering Plough (H)	SGP	74.25	77.38	3.13	4.21	20	1.80	2.33	78.50	51.25
NYS	Squibb Corp. (H)	SQB	110.63	114.88	4.25	3.84	24	2.00	1.74	116.00	60.00
NYS	Syntex Corp.	SYN	48.50	48.13	−0.38	− 0.77	17	1.50	3.12	54.50	35.00
NYS	Thiokol Inc.	TKC	13.38	14.13	0.75	5.61	15	0.30	2.12	125.00	12.38
NYS	Upjohn Co. (H)	UPJ	36.88	38.38	1.50	4.07	19	0.88	2.29	38.38	27.00
NYS	Warner-Lambert	WLA	111.75	107.00	−4.75	− 4.25	19	2.56	2.39	114.63	70.38
NYS	Zenith Labs	ZEN	1.25	1.50	0.25	20.00	d	0.00	0.00	2.75	1.13
Other retailer transactions											
NYS	Albertson's (H)	ABS	50.50	53.38	2.88	5.69	21	0.80	1.50	53.75	32.75
NYS	American Stores	ASC	70.75	70.25	−0.50	− 0.71	29	1.00	1.42	72.50	49.13
NYS	Giant Food	GFS.A	32.00	34.13	2.13	6.64	20	0.50	1.47	36.25	20.13
NYS	K-Mart (H)	KM	40.00	43.63	3.63	9.06	12	1.64	3.76	44.88	32.00
NYS	Kroger	KR	17.75	19.13	1.38	7.75	d	0.00	0.00	59.00	8.38
NYS	Melville Corp. (H)	MES	49.38	51.75	2.38	4.81	16	1.30	2.51	52.63	33.13
OTC	Fred Meyer	MEYR	19.50	20.38	0.88	4.49	14	0.00	0.00	23.00	13.50
NYS	Penney, JC (H)	JCP	64.13	67.25	3.13	4.87	11	2.24	3.33	68.75	44.88
NYS	Smith's Food & Drug	SFD	23.38	21.88	−1.50	− 6.42	21	0.20	0.91	24.75	20.50
NYS	Wal-Mart	WMT	40.75	41.75	1.00	2.45	26	0.22	0.53	43.88	28.75

Key: (H) = New high in period. (L) = New low in period. (d) = Deficit. NYS = New York. ASE = American. OTC = Over the counter. (s) = Reflects stock split.
Source: Nordby International, Inc., Boulder, Colorado